DOCUMENT RESUME

ED 263 289 UD 024 567

TITLE	Refugee Assistance Extension Act of 1985. Hearing before the Subcommittee on Immigration, Refugees, and International Law of the Committee on the Judiciary, House of Representatives, Ninety-Ninth Congress, First Session on H.R. 1452. Serial No. 13.
INSTITUTION	Congress of the U.S., Washington, D.C. House Committee on the Judiciary.
PUB DATE	17 Apr 85
NOTE	309p.; Many sections of this document contain small print and may be marginally legible.
PUB TYPE	Legal/Legislative/Regulatory Materials (090) -- Reports - Descriptive (141)
EDRS PRICE	MF01/PC13 Plus Postage.
DESCRIPTORS	*Federal Aid; *Federal Legislation; Federal Programs; Federal State Relationship; Government Role; Hearings; *Refugees; Relocation; *Social Services; *Voluntary Agencies; Welfare Recipients
IDENTIFIERS	Congress 99th; *Immigration and Nationality Act 1965; Refugee Act 1980; *Refugee Assistance

ABSTRACT

This is a transcript of a public hearing on H.R. 1452, a bill to amend and reauthorize the Refugee Act of 1980. Following the text of the bill, which was introduced in March 1985 by Congressman Romano L. Mazzoli, testimony is presented by a number of government officials as well as representatives of agencies that provide services to immigrants and refugees. Among the issues covered in the discussions and the prepared testimony are (1) the financial costs of refugee assistance programs to State and Federal government; (2) abuse of refugee assistance by individuals that should utilize regular immigration channels; (3) refugees and welfare dependency; (4) the roles of various levels of government and voluntary agencies in providing social, educational, and economic assistance to refugees; (5) financial and administrative concerns related to refugee assistance programs; and (6) various issues related to particular refugee groups (Cubans, Soviet Jews, Filipinos, Southeast Asians, and Eastern Europeans). As a rule, representatives of voluntary agencies expressed their concern regarding Federal cutbacks in the funding of refugee assistance programs. (GC)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

UD

REFUGEE ASSISTANCE EXTENSION ACT OF 1985

ED263289

HEARING

BEFORE THE

SUBCOMMITTEE ON IMMIGRATION, REFUGEES, AND INTERNATIONAL LAW

OF THE

COMMITTEE ON THE JUDICIARY
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

ON

H.R. 1452

REFUGEE ASSISTANCE EXTENSION ACT OF 1985

APRIL 17, 1985

Serial No. 13

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

- Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

UD 024 567

Printed for the use of the Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE
51-526 O
WASHINGTON : 1985

COMMITTEE ON THE JUDICIARY

PETER W. RODINO, Jr., New Jersey, *Chairman*

JACK BROOKS, Texas
ROBERT W. KASTENMEIER, Wisconsin
DON EDWARDS, California
JOHN CONYERS, Jr., Michigan
JOHN F. SEIBERLING, Ohio
ROMANO L. MAZZOLI, Kentucky
WILLIAM J. HUGHES, New Jersey
SAM B. HALL, Jr., Texas
MIKE SYNAR, Oklahoma
PATRICIA SCHROEDER, Colorado
DAN GLICKMAN, Kansas
BARNEY FRANK, Massachusetts
GEO. W. CROCKETT, Jr., Michigan
CHARLES E. SCHUMER, New York
BRUCE A. MORRISON, Connecticut
EDWARD F. FEIGHAN, Ohio
LAWRENCE J. SMITH, Florida
HOWARD L. BERMAN, California
FREDERICK C. BOUCHER, Virginia
HARLEY O. STAGGERS, Jr., West Virginia

HAMILTON FISH, Jr., New York
CARLOS J. MOORHEAD, California
HENRY J. HYDE, Illinois
THOMAS N. KINDNESS, Ohio
DAN LUNGREN, California
F. JAMES SENSENBRENNER, Jr., Wisconsin
BILL McCOLLUM, Florida
E. CLAY SHAW, Jr., Florida
GEORGE W. GEKAS, Pennsylvania
MICHAEL DeWINE, Ohio
WILLIAM E. DANNEMEYER, California
HANK BROWN, Colorado
PATRICK L. SWINDALL, Georgia
HOWARD COBLE, North Carolina

M. Elaine Mielke, *General Counsel*
Garner J. Cline, *Staff Director*
Alan F. Coffey, Jr., *Associate Counsel*

Subcommittee on Immigration, Refugees, and International Law

ROMANO L. MAZZOLI, Kentucky, *Chairman*

BARNEY FRANK, Massachusetts
GEO. W. CROCKETT, Jr., Michigan
HOWARD L. BERMAN, California
CHARLES E. SCHUMER, New York
JOHN BRYANT, Texas

DAN LUNGREN, California
HAMILTON FISH, Jr., New York
F. JAMES SENSENBRENNER, Jr., Wisconsin
BILL McCOLLUM, Florida

Arthur P. Endres, Jr., *Counsel*
Eugene Pugliese, *Assistant Counsel*
Lynn Conway, *Assistant Counsel*
Peter Regis, *Legislative Assistant*
Thomas M. Boyd, *Associate Counsel*

CONTENTS

WITNESSES

Page
Derwinski, Edward J., counselor, Department of State 14
Douglas, Ambassador, H. Eugene, U.S. Coordinator for Refugee Affairs, Department of State 14
Prepared statement 68
Hawkes, Phillip, Director, Office of Refugee Resettlement, Department of Health and Human Services 14
Prepared statement 86
Purcell, James N., Director, Bureau for Refugee Programs, Department of State 14
Prepared statement 74
Rhea, Rachel, legislative coordinator for Inter-Governmental Relations 98
Prepared statement 131
Silverman, Edwin, program manager, Illinois Refugee Resettlement Program.. 98
Zukerman, Karl, chairman, Committee on Migration and Refugee Affairs 98
Prepared statement 120

ADDITIONAL MATERIAL

A copy of H.R. 1452 2
Report which provides general summary information on the Bureau of Refugee Programs 19
Administrative costs, by State, ranked high to low: Fiscal year 1984 31
Information on ORR/MAA Incentive Grants Allocations Program 33
DC Official Blasts Refugee Programs, article printed in newspapers by Rose Certini dated March 20, 1985 37
Margaret M. Heckler, Secretary, to Hon. Peter W. Rodino, Jr., letter dated April 16, 1985 94
National Association of Counties statement on the fiscal 1986 budget 137
Testimony of the Council of Jewish Federations on the reauthorization of the Refugee Act of 1980 (H.R. 1452) 144
Larsen, Donald H., director, Lutheran Immigration and Refugee Service to Hon. Romano L. Mazzoli, chairman, Subcommittee on Immigration, Refugees and International Law, letter dated April 12, 1985 159
Graham, Bob, Governor, chairman, NGA Task Force on Immigration and Refugee Issues to Hon. Romano L. Mazzoli, chairman, Subcommittee on Immigration, Refugees, and International Law, letter dated May 1, 1985 160
Coffey, Matthew B., executive director, to Hon. Romano L. Mazzoli, chairman, Subcommittee on Immigration, Refugees, and International Law, letter dated May 3, 1985 163
DeVecchi, Robert P., executive director, International Rescue Committee, to Hon. Peter Rodino, chairman, Committee on the Judiciary, letter dated May 3, 1985 165
Douglas, H. Eugene, Ambassador at Large, to Hon. Romano L. Mazzoli, chairman, Subcommittee on Immigration, Refugees, and International Law, letter dated April 21, 1985, plus enclosures 166
Ball, III, William L., Assistant Secretary, Legislative and Intergovernmental Affairs to Hon. Romano L. Mazzoli, chairman, Subcommittee on Immigration, Refugees, and International Law, letter dated May 3, 1985, plus enclosures 177
Questions and answers report on the Amerasian Program, plus attachments ... 194

Page

Zukerman, Karl D., executive vice-president, International Action to Hon. Romano L. Mazzoli, letter dated May 6, 1985, plus enclosures 225

Silverman, Edwin B., Illinois State coordinator, Refugee Resettlement Program to Hon. Romano L. Mazzoli, letter dated April 29, 1985, plus enclosures 234

Joseph, Thomas, legislative representative, National Association of Counties, to Hon. Romano L. Mazzoli, letter dated May 13, 1985 with enclosures by Rachel Rhea 241

Report on California Refugee Demographics 247

Runkles, Norman W., comptroller, Bureau for Refugee Programs to Ms. Christine P. Gaffney, associate director, American Council for Nationalities Service, letter dated January 30, 1985 59

Report from Bureau for Refugee Programs, Department of State, to potential applicants 249

Ball, III, William L., Assistant Secretary, Legislative and Intergovernmental Affairs, to Hon. Romano L. Mazzoli, chairman, letter dated June 6, 1985, plus enclosures 270

Audit report of the administration by voluntary agencies of reception and placement agreements with the Bureau of Refugee Programs, dated September 1983 280

REFUGEE ASSISTANCE EXTENSION ACT OF 1985

APRIL 17, 1985

House of Representatives,
Subcommittee on Immigration, Refugees,
and International Law,
Committee on the Judiciary,
Washington, DC.

The subcommittee met, pursuant to call, at 9 a.m., in room 2237, Rayburn House Office Building, Hon. Romano L. Mazzoli (chairman of the subcommittee) presiding.

Present: Representatives Mazzoli, Frank, Berman, Lungren, Fish, Sensenbrenner, and McCollum.

Staff present: Arthur P. Endres, Jr., counsel; Lynnete R. Conway and Eugene Pugliese, assistant counsel; and Thomas M. Boyd, associate counsel.

Mr. Mazzoli. The subcommittee will come to order.

I have a short statement.

I welcome all of you here today to this public hearing on H.R. 1452, a bill to amend and reauthorize the Refugee Act of 1980. As many know, H.R. 1452, which I introduced, is about identical to our bill H.R. 3729, which was introduced in the 98th Congress, which was passed by the House, but which was never acted upon by the Senate. I would, of course, hope that in this session both of the bodies would see fit to act on this important issue in virtually the form that we have looked at it so far.

(A copy of H.R. 1452 follows:)

99TH CONGRESS
1ST SESSION

H. R. 1452

To amend the Immigration and Nationality Act to extend for two years the authorization of appropriations for refugee assistance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 1985

Mr. MAZZOLI introduced the following bill; which was referred to the Committee on the Judiciary

---

A BILL

To amend the Immigration and Nationality Act to extend for two years the authorization of appropriations for refugee assistance, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Refugee Assistance Extension Act of 1985".

(b) AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Immigration and Nationality Act.

SEC. 2. TWO-YEAR EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.

(a) TWO-YEAR EXTENSION.—Section 414(a) (8 U.S.C. 1524(a)) is amended by striking out "fiscal year 1983" and inserting in lieu thereof "each of fiscal years 1986 and 1987" each place it appears.

(b) ADDITIONAL AUTHORIZATIONS OF APPROPRIATIONS.—Such section is further amended—

(1) by striking out "(2) and (3)" in paragraph (1) and inserting in lieu thereof "(2) through (5)";

(2) by striking out "412(c)" in paragraph (2) and inserting in lieu thereof "412(c)(1)"; and

(3) by adding at the end the following new paragraphs:

"(4) There are hereby authorized to be appropriated for each of fiscal years 1986 and 1987, $50,000,000 for the purpose of providing targeted assistance project grants under section 412(c)(2).

"(5) There are authorized to be appropriated for each of fiscal years 1986 and 1987 such sums as may be necessary to carry out section 412(f).".

SEC. 3. PLACEMENT OF OFFICE OF REFUGEE RESETTLEMENT WITHIN THE OFFICE OF SECRETARY OF HEALTH AND HUMAN SERVICES AND CLARIFYING ROLE OF SECRETARY OF EDUCATION.

(a) PLACEMENT OF ORR.—The first sentence of section 411(a) (8 U.S.C. 1521(a)) is amended by inserting "the Office of the Secretary in" after "within".

(b) PROVISION OF ASSISTANCE FOR REFUGEE CHILDREN BY SECRETARY OF EDUCATION.—Section 412(d)(1) (8 U.S.C. 1522(d)(1)) is amended by striking out "Director" and inserting in lieu thereof "Secretary of Education".

(c) AUTHORIZING SECRETARY OF EDUCATION AND ATTORNEY GENERAL TO ISSUE REGULATIONS.—Section 412(a)(9) (8 U.S.C. 1522(a)(9)) is amended by inserting ", the Secretary of Education, the Attorney General" after "The Secretary".

SEC. 4. RECEPTION AND PLACEMENT GRANTS.

(a) DIRECT GAO AUDIT OF GRANTS.—Paragraph (6) of section 412(b) (8 U.S.C. 1522(b)) is amended to read as follows:

"(6) The Comptroller General shall directly conduct an annual financial audit of funds expended under each grant or contract made under paragraph (1) for fiscal year 1985 and for fiscal year 1986.".

(b) REQUIREMENTS UNDER GRANTS.—Such section is further amended—

(1) by adding at the end the following new paragraph:

"(7) Each grant or contract with an agency under paragraph (1) shall require the agency to do the following:

"(A) To provide quarterly performance and financial status reports to the Federal agency administering paragraph (1).

"(B)(i) To provide, directly or through its local affiliate, notice to the appropriate county or other local welfare office at the time that the agency becomes aware that a refugee is offered employment and to provide notice to the refugee that such notice has been provided, and

"(ii) upon request of such a welfare office to which a refugee has applied for cash assistance, to furnish that office with documentation respecting any cash or other resources provided directly by the agency to the refugee under this subsection.

"(C) To assure that refugees, known to the agency as having been identified pursuant to paragraph (4)(B) as having medical conditions affecting the public health and requiring treatment, report to the appropriate county or other health agency upon their resettlement in an area.

"(D) To be legally and financially responsible for meeting the basic needs for food, clothing, and shelter, and for transportation for job interviews and training of each refugee resettled during the 90-day period beginning on the date the refugee was admitted to the United States.

"(E) To transmit to the Federal agency administering paragraph (1) an annual report describing the following:

"(i) The number of refugees placed (by county of placement) and the expenditures made in the year under the grant or contract, including the proportion of such expenditures used for administrative purposes and for provision of services.

"(ii) The proportion of refugees placed by the agency in the previous year who are receiving cash or medical assistance described in subsection (e).

"(iii) The efforts made by the agency to monitor placement of the refugees and the activities of local affiliates of the agency.

"(iv) The extent to which the agency has coordinated its activities with local social service providers in a manner which avoids duplication of activities and has provided notices to local welfare offices and the reporting of medical conditions of certain aliens to local health departments in accordance with subparagraphs (B)(i) and (C).

"(v) Such other information as the agency administering paragraph (1) deems to be appropriate in monitoring the effectiveness of agencies in carrying out their functions under such grants and contracts.

The agency administering paragraph (1) shall promptly forward a copy of each annual report transmitted under subparagraph (E) to the Committees on the Judiciary of the House of Representatives and of the Senate.", and

(2) by striking out the fifth and sixth sentences of paragraph (1)(A).

(c) Effective Dates.—(1) Section 412(b)(7) (other than subparagraphs (B)(i), (C), and (D)) of the Immigration and Nationality Act, as added by subsection (b)(1) of this section, shall apply to grants and contracts made or renewed after the end of the 30-day period beginning on the date of the enactment of this Act.

(2) Section 412(b)(7)(D) of the Immigration and Nationality Act, as added by subsection (b)(1) of this section, shall apply to grants and contracts made or renewed after the end of the six-month period beginning on the date of the enactment of this Act.

SEC. 5. TARGETED ASSISTANCE PROJECT GRANTS.

(a) Specific Authorization for Targeted Assistance Project Grants.—Section 412(c) (8 U.S.C. 1522(c)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively,

(2) by inserting "(1)" after "Refugees.—", and

(3) by adding at the end the following new paragraph:

"(2)(A) The Director is authorized to make grants to States for assistance to counties and similar areas in the States where, because of factors such as unusually large refugee populations (including secondary migration), high refugee concentrations, and high use of public assistance by refugees, there exists and can be demonstrated a specific need for supplementation of available resources for services to refugees.

"(B) Grants shall be made available under this paragraph—

"(i) primarily for the purpose of facilitating refugee employment and achievement of self-sufficiency, and

"(ii) in a manner that does not supplant other refugee program funds and that assures that not less than 95 percent of the amount of the grant award is made available to the county or other local entity.".

(b) Conforming Amendments.—Section 412(e)(2)(A) (8 U.S.C. 1522(e)(2)(A)) is amended—

(1) by striking out "(c)(1)" in clause (i) and inserting in lieu thereof "(c)(1)(A)", and

(2) by inserting "or targeted assistance" in clause (ii) after "social service".

SEC. 6. CASH AND MEDICAL ASSISTANCE.

(a) Clarification of Disqualification from Cash Assistance for Refugees Refusing Offers of Employment or Training.—Paragraph (2) of section 412(e) (8 U.S.C. 1522(e)) is amended—

(1) by striking out the last sentence of subparagraph (A), and

(2) by adding at the end the following new subparagraph:

"(C) In the case of a refugee who—

"(i) refuses an offer of employment which has been determined to be appropriate either by the agency responsible for the initial resettlement of the refugee under subsection (b) or by the appropriate State or local employment service,

"(ii) refuses to go to a job interview which has been arranged through such agency or service, or

"(iii) refuses to participate in a social service or targeted assistance program referred to in subparagraph (A)(ii) which such agency or service determines to be available and appropriate,

cash assistance to the refugee shall be terminated (after opportunity for an administrative hearing) for a period of three months (for the first such refusal) or for a period of six months (for any subsequent refusal).".

(b) ORR ARRANGING PROVISION OF MEDICAL ASSISTANCE.—(1) Paragraph (5) of such section is amended to read as follows:

"(5) The Director shall, to the extent of available appropriations, arrange for the provision of medical assistance during the one-year period after their entry, and for purposes of title XIX of the Social Security Act the Director may provide that such individuals may be considered to be individuals receiving assistance under title IV of such Act."; and

(2) Paragraph (6) of such section is amended by inserting "(other than under paragraph (5))" after "under this subsection".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to aliens entering the United States as refugees on or after the first day of the first calendar quarter that begins more than 90 days after the date of the enactment of this Act.

SEC. 7. PROHIBITING USE OF BLOCK OR CONSOLIDATED GRANTS.

Section 412(a)(4) (8 U.S.C. 1522(a)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(2) by inserting "(A)" after "(4)", and

(3) by adding at the end the following new subparagraphs:

"(B) No funds may be made available under this chapter (other than under subsection (b)(1)) to States or political subdivisions in the form of block grants, per capita grants, or similar consolidated grants or contracts. Such funds shall be made available under separate grants or contracts—

"(i) for medical screening and initial medical treatment under subsection (b)(5),

"(ii) for services for refugees under subsection (c)(1),

"(iii) for targeted assistance project grants under subsection (c)(2), and

"(iv) for assistance for refugee children under subsection (d)(2).

"(C) The Director may not delegate to a State or political subdivision his authority to review or approve grants or contracts under this chapter or the terms under which such grants or contracts are made.".

SEC. 8. ASSISTANCE TO STATES AND COUNTIES FOR INCARCERATION OF CERTAIN CUBAN NATIONALS.

Section 412 (8 U.S.C. 1522) is further amended by adding at the end the following new subsection:

"(f) ASSISTANCE TO STATES AND COUNTIES FOR INCARCERATION OF CERTAIN CUBAN NATIONALS.—(1) The Attorney General shall pay compensation to States and to counties for costs incurred by the States and counties to confine in prisons, during the fiscal year for which such payment is made, nationals of Cuba who—

"(A) were allowed by the Attorney General to enter the United States in 1980,

"(B) after such entry committed any violation of State or county law for which a term of imprisonment was imposed, and

"(C) at the time of such entry and such violation were not aliens lawfully admitted to the United States—

"(i) for permanent residence, or

"(ii) under the terms of an immigrant or a nonimmigrant visa issued,

under this Act.

"(2) For a State or county to be eligible to receive compensation under this subsection, the chief executive officer of the State or county shall submit to the Attorney General, in accordance with rules to be issued by the Attorney General, an application containing—

"(A) the number and names of the Cuban nationals with respect to whom the State or county is entitled to such compensation, and

"(B) such other information as the Attorney General may require.

"(3) For a fiscal year the Attorney General shall pay the costs described in paragraph (1) to each State and county determined by the Attorney General to be eligible under paragraph (2); except that if the amounts appropriated for the fiscal year to carry out this subsection are insufficient to cover all such payments, each of such payments shall be ratably reduced so that the total of such payments equals the amounts so appropriated.

"(4) The authority of the Attorney General to pay compensation under this subsection shall be effective for any fiscal year only to the extent and in such amounts as may be provided in advance in appropriation Acts.".

Mr. **Mazzoli.** This month we mark the 10th anniversary of the end of America's military engagement in Southeast Asia, but the United States remains heavily involved in the aftermath of that war. Since 1975, the United States has received 735,000 Indochinese refugees for permanent resettlement in the United States. This is more than the number resettled by all the other nations of the world combined, and it underscores how generous our resettlement program has been, and we hope will remain in the years ahead.

My subcommittee colleagues and I have worked hard over the last years to scrutinize, evaluate and improve the refugee resettlement process. Even though we mostly hear of the remaining problems in the program, I believe the refugee program is basically a successful one as measured by any responsible measurement. I was heartened by a recent article in the Wall Street Journal which detailed the social and the economic progress experienced by many Indochinese refugees who have been resettled in the United States.

The refugee program will not remain as solid and an effective one, however, unless the committee and this Congress continue to exercise careful and painstaking oversight of the program's many and varied activities both here at home and abroad. That, of course, is the purpose of today's hearing, and the quicker we get to our witnesses, the quicker we will know of the many successes, and perhaps the occasional shortcomings.

I am pleased to welcome members of our two panels today. The first will be, of course, Ambassador H. Eugene Douglas, the U.S. Coordinator for Refugee Affairs; Mr. James N. Purcell, Director of the State Department Bureau of Refugee Programs; and Mr. Phillip Hawkes, Director of the Office of Refugee Resettlement in the Department of Health and Human Services.

We have with us our former colleague, Mr. Derwinski, who, I think, has a few words of, I hope, wisdom for us.

TESTIMONY OF EDWARD J. DERWINSKI, COUNSELOR, DEPARTMENT OF STATE; AMBASSADOR H. EUGENE DOUGLAS, U.S. COORDINATOR FOR REFUGEE AFFAIRS, DEPARTMENT OF STATE; JAMES N. PURCELL, DIRECTOR, BUREAU FOR REFUGEE PROGRAMS, DEPARTMENT OF STATE; AND PHILLIP HAWKES, DIRECTOR, OFFICE OF REFUGEE RESETTLEMENT, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. **Derwinski.** Thank you, Mr. Chairman. I will be very brief.

As you know, Secretary Shultz has designated me to represent the Department of State on the Senior Interagency Group on Refugee Policy, and that has given me a very interesting insight into the hard work that has gone into our refugee program.

I share your point that the U.S. refugee program is a very good example of cooperation between the executive and legislative branches. It is a delicate subject, it is a difficult subject, and it is misunderstood both in the United States and around the world, and it takes a special effort to implement it effectively.

I think we should be very proud that our refugee program has been in the front line of assistance to those suffering from famine and civil problems throughout Africa, in the aid to the Afghans, for example, and the aid to the refugees in Indochina. The tremendous worldwide complications have been effectively met by our refugee program. At the State Department, I, therefore, have to work with Jim Purcell here on my right, and I can attest to his expertise both as a manager, as well as his bringing a necessary touch of humanitarian concern to the difficult subject.

I know you have had certain personal frustrations with legislation the last few years.

Mr. **Mazzoli.** I have no idea what you are referring to, Ed. [Laughter.]

Mr. **Derwinski.** I hope that in this case we could help you and work with you in seeing that the legislative refinements that we need and what you would like to see us have could be realized.

Mr. **Mazzoli.** Thank you.

Mr. **Derwinski.** So in that spirit, I am pleased to join you this morning.

Mr. **Mazzoli.** Please thank Mr. Shultz for me. He, of course, has himself come to our various consultations, which we appreciate. We look forward to working with him again.

One thing I said before of my friend, Mr. Derwinski, when you left to go down to the State Department, you must have jettisoned all of your wardrobe, which is, of course, known for its multi-hued splendor, I should say. Now I see you in muted dark suits, pinstripes, probably striped pants—I can't tell in the dark.

Mr. **Derwinski.** That is called social climbing. [Laughter.]

Mr. **Mazzoli.** You always were one to get the last word.

It is a pleasure to welcome Eugene Douglas, who, as I said a couple of times, is probably burning two pensions, one downtown and one on the Hill for the number of hours you spend here. We welcome you and we look forward to your testimony.

Ambassador **Douglas.** Thank you, Mr. Chairman.

I feel particularly proud to appear before you. This is my fourth springtime appearance before subcommittee. When we started in 1982, I wondered whether I would have the stamina, courage, and the good sense to last. I found that I have developed a great liking for my colleagues on the Hill on this subject of refugees and for the work that we are doing. I share most of your comments this morning that the refugee program is making progress, despite all of the management concerns that you and I and others at this table have expressed.

I have prepared a written statement for the hearing this morning. I would like to submit it for the record and, in light of the constraints on time, make only a few amplifying comments.

Mr. **Mazzoli.** I thank you. Without objection, your full statement will be made a part of the record.

Ambassador **Douglas.** I would like to highlight, four things that are uppermost on my mind, and I think on my colleagues' minds, as we work for continued improvements to strengthen the domestic program over the coming year or two. Those four areas are sponsorship, some comments on Mutual Assistance Associations, highlighting the importance of education, and our common objectives in getting refugees employment in the private sector.

First, on the centrality of sponsorship, I want to reiterate what I have said, I guess, for 4 years; namely that sponsorship is important to preservation of the American experiment in refugee work.

The role of the voluntary agencies is central to our concept of sponsorship. I am heartened by what I sense to be a joint renewed effort to try to work on the remaining problems in sponsorship, The voluntary agencies are rededicating themselves to try to work out some of the remaining problems. We on the Government side are doing the same.

We need to remind ourselves that not only do we have new incoming refugees, but we also have a pressing, and sometimes tragic need for reaching back to those who have been in the country from 3 to 10 years who may also need advice, assistance, and a little extra tender loving care to complete their transition to self-sufficiency and a brighter new future in freedom in this country.

Linked to that, I want to say a word of encouragement and praise about Mutual Assistance Associations. As I move around the country, there are very few things that I find as encouraging and hopeful as the growing strength, assertiveness, leadership, and quality and quantity of the Mutual Assistance Associations formed by the refugees since 1975. In just the 2 years I have been trying to encourage groups around the country to organize themselves, I have seen a significant increase in the quality of their leadership, their willingness to take risks, and their assertiveness to come forward and bang on the table in good American fashion, and say, "We need this kind of attention. You just wait until we get to be citizens and can vote, we will show you guys a few things." Such action is in the truest sense the American pattern. I would hope that, as we go through this legislative session leading up to the consultation, that you and your subcommittee can join the administration's approach of seeking the advice and testimony of some of these Mutual Assistance Associations. They have very valid and interesting points of view on improving the program today and in the future.

Regarding education, one doesn't need an outside consultant, a Ph.D. or a GAO audit to know that education and English language competency are very important. Moving around the country again, there isn't a refugee group, a State coordinator or a refugee individual who doesn't state that the use of rudimentary English is important. I think we have come a very long way in English language education—cultural orientation. We are going to continue to try to improve the quality and the effectiveness in the connections between what we do overseas and in this country. I will be working, as will other members of the administration team, to stimulate and encourage the voluntary agencies to think of ways to organize and motivate the communities, and voluntary groups—whether it is church groups, Boy Scouts or school groups—to help with tutoring those who are slower learners, regardless of the time that the people have been in this country.

Three or four years ago, there was a spurt of interest in native literacy on the part of the U.N. High Commission for those in the camps. The administration is returning to the belief that we would like to encourage the High Commission to become more involved and to improve the teaching of Vietnamese, Laotian, Cambodian, or any other languages in the Southeast Asian camps, because somehow the discipline of being literate in your own written and spoken language contributes greatly to our ability to teach English to these selected for the U.S. program.

Regarding employment, there isn't a trip that I make out in the country where I don't try to make at least one speech—before an employers group, trade association, chamber of commerce group or with an industry sector that I think might have a chance of improving the employment of refugees. Getting jobs for refugees isn't just the business of the VOLAG's, the sponsors, the States, Phil Hawkes, me or you; it is everybody's job. I know that in your public statements you have been exceptionally supportive in encouraging employers and private citizens to take that step and employ a refugee.

Out in California recently, I was impressed by the success of something originating from one of the Mutual Assistance Associations. With Phil Hawkes' help and my encouragement, the MAA's out there in the central valley have begun to form private business councils associated with their work. The encouragement, advice and job creation that results doesn't solve all the employment problems overnight, but it certainly moves refugees in the right direction, and it sets a very good example for our young people. I say our young people because, once they are here, they are not just refugee young people, they are ours.

As the last point, I want to say one thing that impressed me a lot, both in Texas and out on the west coast, was the desire on the part of the refugees to get a little extra guidance on how they become citizens. We are getting to the point where many of these refugees have been in the country for a long enough period of time that they qualify for citizenship. I think of the motivation and the pride that will come by their becoming American citizens: their commitment to the country, to the free enterprise system and to the ideals that we think have always illuminated in our refugee program. All of this will be a positive new element adding to the success of the past several years.

That concludes my preliminary comments. I thank you very much, Mr. Chairman.

Mr. MAZZOLI. Thank you very much, Ambassador Douglas.

Maybe we ought to get all of the statements in, and then we can open up for some questions.

Mr. Purcell.

Mr. PURCELL. Thank you, Mr. Chairman.

I have a prepared statement and, with your approval, I will submit it for the record.

Mr. MAZZOLI. Without objection, it will also be made part of the record.

Mr. PURCELL. My statement does call attention to the serious refugee problems we are presently facing in Africa, Pakistan and Southeast Asia. It is my belief that we are faced with as serious a humanitarian tragedy in many parts of the world as we have faced for the past few years. It highlights the need for providing care and assistance to refugees in their locations overseas.

Also my statement reviews our progress in the initiatives announced by Secretary Shultz this past September. One of those is to try to bring out all of the remaining Asian/American children from Vietnam in the next 3 years. We are having some progress there, although not as much as we would have hoped. For the first 5 months of this fiscal year, we have been able to bring out about 1,500 children and accompanying family members. We hope for a faster rate, and we are continuing to work with the Vietnamese on that score.

With regard to political prisoners, we are making virtually no progress at all. We did table our proposals in Geneva in October. We have subsequently requested two meetings with the Vietnamese to discuss them in some detail. Thus far, they have not agreed to such a meeting. They have indicated one concern that we would use released prisoners in anti-Vietnamese activities, and we have rejected that false accusation, and we are pressing for a meeting to get progress on that score.

I would like to reaffirm here today the Secretary's commitment to continuing progress in both these initiatives.

With regard to the Refugee Act itself, we regard this as the primary vehicle with which to conduct our domestic program. One of our major objectives has been early self-sufficiency of refugees in this country. A major obstacle to refugee self-sufficiency and the overall success of the resettlement effort has been the high benefit structure of the welfare system in some States. In addition, in the early years of this program, voluntary agencies providing initial reception and placement services to the refugees were not given adequate guidance as to what exactly the Federal Government expected of them.

Since adoption of the legislative amendments of 1982 affecting the reception and placement program, our management of this program has been strengthened considerably. Initiatives by the Bureau for Refugee Programs have included a revised cooperative agreement which provides far greater programmatic and financial specificity, greater oversight by the Bureau of initial placement determinations, and establishment of an active on-site monitoring program. In addition, recent GAO and Department of State Inspector General recommendations have been incorporated into our management practices.

Since 1982, the Bureau has systematically monitored service delivery by voluntary agencies. These in-depth inspections of local affiliates have proven to be of great value in helping the national voluntary agencies to improve the management of their reception and placement programs. I have a statistical summary of 20 on-site monitoring reviews undertaken to date which, with your approval, I will submit for the record.

Mr. Mazzoli. Without objection.

[The information follows:]

United States Department of State

Washington, D.C. 20520

April 1985

RP/RPL MONITORING ACTIVITIES

The following report provides general, summary information on the Bureau for Refugee Programs' monitoring to date of the voluntary agencies' activities under the terms of the Reception and Placement cooperative agreement. Monitoring is a continuing activity.

BACKGROUND

In the spring of 1982, the Bureau for Refugee Programs (RP), Department of State, established the Office of Reception and Placement (RPL), whose primary responsibility is to monitor the domestic activities of the voluntary agencies (Volags) under the Reception and Placement (R&P) cooperative agreements. Prior to that time, the Bureau had devoted staff to management and oversight of the cooperative agreements. However, the formation and staffing of RPL afforded the Bureau the opportunity to systematically and continuously review on site Volag practices and procedures across the country. RPL has now completed reviews in twenty areas. The first, a pilot effort, took place in Arlington, Virginia. Subsequent reviews were in Boston, Seattle, Los Angeles, New York, Iowa, Idaho, Houston, Philadelphia, Tampa/St. Petersburg, South Carolina, Providence, Portland (Oregon), Minneapolis/St. Paul, New Orleans, Phoenix/Tucson, San Diego and Denver. Reviews will continue to be scheduled at intervals of approximately four weeks.

The reviews serve several purposes, among them to:

-- highlight individual agency strengths and weaknesses at each site;

-- build an understanding of overall agency capabilities;

-- determine what changes are needed in the cooperative agreement;

-- raise areas relating to Reception and Placement which need immediate clarification;

-- indicate how Reception and Placement melds with resettlement;

-- discover the extent of donated private sector goods and services; and

-- serve as an information sharing mechanism between the Bureau and local Volags and other organizations involved in resettlement.

In all of the reviews, the teams regularly touched upon other areas of resettlement - case management, the matching grant program, social services, (employment, ESL, vocational training) and the welfare system. It is the Bureau's view that a complete understanding of the effectiveness of the R&P program is possible only with sufficient background in the larger resettlement environment in any given area.

METHODOLOGY

The Teams - The reviews are conducted by RPL staff, augmented by other Bureau staff with experience in refugee generating or receiving countries. Since the Bureau has designated monitoring as one of its priorities, non-RPL staff are routinely made available. In one instance, Seattle, a member of the Office of the U.S. Coordinator for Refugee Affairs participated in the review in order to provide background to that office on the process and findings of the Bureau effort.

Review Guides - Prior to the first review, RPL staff developed review guides (subsequently revised) to use with each type of organization they would be visiting. These include a guide for interviewing personnel at the Volag local office and for the organizations and individuals with whom Volags most frequently interact in fulfilling their Reception and Placement activities - the refugee, individuals assisting in sponsorship, welfare, health and employment service offices.

Preparation - Approximately two weeks before a review is to commence, RPL contacts each organization to be visited. (This does not include refugees and/or sponsors who are chosen by the team after reviewing files at the Volag offices.) ORR regional staff, national Volags, and State Refugee Coordinators are also informed.

On Site - The first review, a pilot effort, lasted one week. Six subsequent reviews were of two weeks duration, but most have been conducted in one week's time - depending on the number of agencies to be reviewed. Often the beginning of a site visit is spent in "overview" meetings in which the RPL team explains its purpose to refugee fora and others as appropriate, and answers questions about monitoring or various overseas aspects of the Department of State's refugee effort.

As the following chart shows, several Volags were monitored at each site and all 14 Volags participating in the Reception and Placement program have been monitored, some several times.

VOLUNTARY AGENCIES REVIEWED BY AREA

SITE REVIEWED	ACNS	APCR	HCRRR	CWS	HIAS	III	IRC	IRSC	LIRS	PAIRC	PBF	TF	USCC	WRRS
Arlington, VA - 8/82				X			X		X				X	X
BOSTON, MA 10/82	X	X					X						X	X
SEATTLE, WA. 12/82				X			X				X		X	X
L. A., CA 2/83	X						X		X			X	X	
N.Y., N.Y. 5/83		X			X					X		X		
IDAHO 6/83						X								
IOWA 6/83								X						
HOUSTON, TX 8/83	X		X	X							X		X	
PHILA.,PA 1/84	X			X	X				X				X	
TAMPA/ST. PETE.,FL 2/84									X				X	
S CAROLINA 4/84													X	
MICHIGAN 5/84									X					
PROVIDENCE RI 7/84	X											X	X	
PORTLAND, OR 8/84				X					X				X	
TALMAGE, CA 10/84			X											
MINN/ST. PAUL 11/84	X	X		X					X				X	

VOLUNTARY AGENCIES REVIEWED BY AREA

SITE REVIEWED	ACNS	AFCR	BCRRR	CWS	HIAS	III	IRC	IRSC	LIRS	PAIRC	PBF	TF	USCC	WRRS
N. ORLEANS LA 1/85													X	
ARIZONA 2/85												X	X	
SAN DIEGO CA. 3/85				X			X						X	X
DENVER, CO. 3/85				X					X				X	

Interviews are conducted in the agencies' offices. Besides getting a general sense of how each Volag operates, the team members review in detail the casefiles of selected refugees who were initially resettled at a particular site between two and twelve months prior to the visit. Thus, for the older cases, the team checks to see if the core services have been provided and if the Volag fulfilled its obligation for the full 90 days. For the more recent arrivals, the team assesses the level of activity and degree of familiarity with these cases exhibited both by the caseworkers and files themselves during the critical initial 90-day period. (To determine which cases to review, the team requests in advance from the Refugee Data Center a computer print-out arranged by sponsoring Volag, of all refugees placed in an area during a given period. Volags do not know beforehand which files will be reviewed.) From the files selected, team members interview some refugees and/or sponsors. When interpreters are needed, in almost all instances RPL obtains them from non-Volag staff. This aspect of the process is extremely time-consuming and must therefore be somewhat limited. However, these interviews provide a vital perspective on overall resettlement in an area and of individual Volags.

As the following chart shows, the teams have reviewed a total of 845 casefiles, representing 2342 individuals and from those files interviewed 120 principal applicants, representing 374 individuals. Twenty-eight individuals who assisted in sponsorship were also interviewed. The time for arrival of the refugees spanned a 36-month period from January 1982 through December of 1984.

Sites	Files Reviewed (cases/persons)	Refugees Interviewed (cases/persons)	Sponsors Interviewed	Refugee Arrival Date
Arlington	12/42	4/11	2	11-2/82
Boston	63/183	5/15	2	44-5/82
Seattle	107/314	5/18	2	6-7/82
Los Angeles	108/292	19/49	7	55-10/82
New York	74/176	18/59	1	9/82-4/83
Houston	78/176	18/72	3	10/82-6/83
Phila.	67/221	10/40	3	6-12/83
Tam./St.Pete.	23/59	3/13	1	8/83-1/84
S. Carolina	7/10	0	2	10/82-2/84
Providence	33/103	5/13	0	10/83-6/84
Portland	44/129	4/14	2	10/83-6/84
Minn./St.Paul	57/199	5/20	2	10/83-9/84
New Orleans	15/53	2/4	1	1/84-12/84
Phoenix/Tuc.	52/92	7/7	0	1/84-12/84
San Diego	60/184	9/29	0	6/84-1/85
Denver	45/109	6/10	0	1/84-12/84

After initial Volag interviews, RPL meets with other individuals who have first-hand knowledge of the Volags' operations. While this varies from place to place, such interviews generally include the state refugee coordinator, someone from a welfare office, and certain social service providers-particularly in the employment area.

Prior to departing a site, RPL meets with each Volag once again to ask further questions, verify certain information and to pass on its observations and recommendations.

Reports - In the past, immediately following each review, RPL staff developed a summary of observations and recommendations which was used as the basis for Bureau and national agency briefing sessions. These reports also served as the basis for policy modifications and other follow up actions. Beginning with the Houston review in mid-1983, however, this information has been provided to each national agency, state coordinator and ORR regional office in written form. The responsible congressional oversight committees have also been provided copies of the final reports.

Return Visits - RPL often makes follow-up visits to each site where recommendations for improvement have been made. Eight such visits have been completed: Arlington, Boston, Seattle, Los Angeles, New York, Houston, Philadelphia and Tampa/St. Petersburg. The purpose of the follow-up is to ensure the implementation of recommendations from the initial review and to learn of any significant changes in the resettlement environment of the specific geographic location.

Mr. PURCELL. One conclusion which emerges from a comparative review of refugee resettlement in different States and regions is that refugees do not have to become dependent on welfare. Demonstration projects in Arizona, Oregon, and Chicago are seeking to break the cycle of welfare dependency through innovative resettlement plans aimed at placing refugees in jobs as soon after their arrival as possible. The Chicago project, funded by the Bureau for Refugee Programs, was an initiative of the local voluntary agencies. All of these projects, however, depend on close cooperation between the public sector and the voluntary agencies. California, which has the Nation's highest refugee welfare dependency rate, is about to embark on a 3-year program which alters some basic public assistance program components in an effort to tailor public assistance to the particular needs of refugees. In all cases, locally developed solutions to local problems are proving to be most appropriate, a fact that the Congress recognized in its passage last year of the Wilson-Fish amendment, that authorizes HHS/ORR to fund resettlement demonstration projects tailored to States and localities.

If these developments are a source for optimism in attacking the welfare phenomenon on a State-specific level, there remains the need to address our national mechanism for bringing refugees through the critical transition period for their first months in the United States. The strength of our national system lies in the involvement of private agencies and individuals in the sponsorship and support of refugees seeking to establish new lives as Americans. Consequently, it is the shared view of both the Congress and the administration that we should build on this strength by enhancing and making more explicit the responsibilities of the voluntary agencies and by ensuring an appropriate mix of Federal and private resources to make their resettlement efforts effective.

It is from this general perspective that the Congress and the administration both are now seeking, through legislation, to address the specific problem of initial high welfare dependency among refugees.

It is apparent that most incoming refugees require support and assistance during the early phases of their assimilation into American society. Once on welfare, many refugees tend to become dependent on continued public support for long periods of time. Disincentives to early self-sufficiency are created. The voluntary agencies, who assist refugees in the early phases of their introduction to our society, report that the draw of public assistance thwarts their efforts to promote refugee social and cultural assimilation to early entry into the work force. The objective of both the Congress and the administration has been to provide workable alternatives to early access to public welfare assistance and, instead, to rely as much as possible on the private voluntary agencies to direct refugees to early employment.

Consequently, the administration has supported since its introduction more than 1 year ago the initiative of the House Judiciary Committee to channel needed assistance for the first 90-day period through private voluntary agencies rather than through existing welfare mechanisms. However, in the proposed administration bill, we have offered modified language directed at ensuring that the legislation will be both effective and workable. In particular, the amendment in H.R. 1452 does not address the question of the eligibility of a refugee for public assistance during the 90-day period of voluntary agency support. Thus, the administration bill couples the provision of enhanced voluntary agency responsibility with a 90-day bar to public cash assistance.

Concerning voluntary agency responsibility, the administration bill eliminates some of the operational concerns expressed by voluntary agencies during previous consideration of the Lungren amendment. The three principal differences between the administration bill and H.R. 1452 are: deletion of the term legal responsibility; recognition of in-kind contributions to refugee support; and the separation of cash and medical assistance, allowing refugees to receive Medicaid coverage without concurrent receipt of cash support payments. We ask for the committee's support for this bill in the firm belief that its enactment will most effectively achieve our common goal of early refugee self-sufficiency.

Mr. **Mazzoli**. Thank you very much, Mr. Purcell.

Mr. Hawkes.

Mr. **Hawkes**. Good morning, Mr. Chairman.

I am pleased that my colleagues have concentrated so heavily on the domestic aspects of the refugee program. In fact, most of what is contained in my opening statement has just been covered by the coordinator, Ambassador Douglas, and by Jim Purcell from the Bureau for Refugee Programs of the Department of State. I would like to submit my formal statement for the record and make a couple of very short comments.

Mr. **Mazzoli**. Without objection.

Mr. **Hawkes**. I would like to reiterate the support for the concept and the provisions of the Lungren amendment. I would think that we must emphasize what Mr. Purcell just said, to the effect that we need a little more language particularly to prohibit refugees from applying for and receiving public assistance during the time that they would be the responsibility of the voluntary agencies—that first 90 days. Without that provision, it would be an extremely difficult law to administer.

Concerning other parts of the Proposed Reauthorization, we oppose the inclusion of language in the bill authorizing targeted assistance. We are in the fourth year of funded targeted assistance. We think the program is achieving its ends in a sort of limited way. We have done that with the authority already contained in the bill and don't need any additional authority for targeted assistance.

Furthermore, don't believe that the Office of Refugee Resettlement needs to be moved to the Office of the Secretary. We receive excellent support from Social Security and operate very well in the Office of the Commissioner. It is our desire to remain there.

Finally, I would like to say how pleased we were with the Fish amendment last year to the Immigration and Nationality Act, which has allowed us to fund demonstration projects which will test alternatives to the current welfare system for providing assistance to refugees. We have two such projects in the works although they are a little slower in getting started than we had originally anticipated. As you will recall, I came up here last year and told you that we expected to start the California project in July 1984. I will tell you again this year we expect the California project.

Mr. MAZZOLI. To start in July.

Mr. HAWKES. A different July, same project. But California has agreed at this point to proceed and we have very high hopes.

Thank you.

Mr. MAZZOLI. Thank you very much. I appreciate it.

Mr. MAZZOLI. The Chair will yield himself 5 minutes to begin a round of questions.

Mr. Douglas, from time to time we have talked about your position being perhaps better and more influential if you were in the White House rather than in the Department of State. How do you see that situation?

Ambassador DOUGLAS. The longer I stay, the more inclined I am to agree with you. Remember the teachings of sociology—from your college days—any kingdom was always happy to receive a visiting chief, but if he stayed too long in one place, they got a little edgy.

Because I think the refugee element in the total migration/immigration picture in the country will remain very complex, I would make a recommendation to the White House that whoever succeeds me—start out fresh in the Executive Office of the President.

Mr. MAZZOLI. It has always occurred to me that that would be the logical repository for that particular position, and we will take it up, I guess, in that context.

Do you have adequate resources currently to do the work that you have to do?

Ambassador DOUGLAS. There has been no problem whatsoever with personnel or financial administrative support provided by direction from the State Department.

Mr. MAZZOLI. We didn't talk much this morning—in fact, perhaps not at all—about the numbers of refugees to be admitted. Of course, we settled that this year, but soon we will be talking about the next fiscal year. Have there been preliminary discussions about that?

Ambassador DOUGLAS. No, Mr. Chairman, there have been only the most preliminary scheduling talks between Mr. Purcell and Dr. Hawkes and myself about how we wish to move. Like Dr. Hawkes was saying about his California project, I will tell you again what we said last year, that we would like to be finished with this by July so that things could be in your hands.

Mr. MAZZOLI. One thing, first, I have always appreciated the cooperation really of the entire panel in the administration activity of keeping the Congress informed and collegially at least discussing it. It isn't our final call, but at least we have always been involved. So, I would again urge that type of a continued approach to the question of settling upon eventually refugee numbers.

Second, one of the problems that I have seen, and I am not sure it can be exactly handled in this round, and that is that we always talk about those refugees who are in Bataan or Galang who are, in effect, in the process or in the pipeline. In effect, we really have very little control of that number. Once those people are there, it sort of distorts the ability that we really have of making a judgment about which numbers will come in. They have, in effect, come in once they get in the pipeline.

Accordingly, I would ask your views, and perhaps Mr. Purcell's as well, about the idea of advancing the discussion perhaps, instead of just with respect to those who would enter within 1 calendar year, but to talk about maybe 2 years hence, in a sense, getting a jump on the whole discussion by looking backward to those people who are in campments long before they have even been selected for U.S. resettlement.

Ambassador DOUGLAS. Mr. Chairman, I think the idea of expanding the transparency of region numbers is a very sound one. I think we have tried jointly, on your side of the bench and ours, to talk about what the base populations are as we elect the numbers that would be resettled in our annual consultations. To the extent that we have the intelligence, I think it is something that I could be very supportive of.

Mr. MAZZOLI. Although my time has expired, perhaps a minute, Mr. Purcell, on the question of, is there any way we can improve the consultation process so that we, in effect, are not controlled in settling a number by what has already taken place separate and apart from the consultation?

Mr. PURCELL. I think we certainly could, Mr. Chairman. Your proposal, I would say, is an excellent one. I think that in order for the committee to get a proper overview of what is going on, particularly in Southeast Asia, one has to look at a 2-year timeframe, I certainly would welcome such a review.

Mr. MAZZOLI. Thank you very much..

My time has expired. The gentleman from California is recognized for 5 minutes.

Mr. LUNGREN. Thank you, Mr. Chairman.

As I was driving in here, I noticed spring is here, the flowers are out, and now I hear the testimony that—we have the perennials again. This July we hope to have a certain program in California. I don't know, but I do remember that Mr. Hawkes had jet-black hair when he started this program, and so did the Chairman.

Mr. MAZZOLI. So did the Chairman. [Laughter.]

Mr. LUNGREN. Mr. Frank is moving up on us on this one.

Mr. FRANK. I am going to have it again though.

Mr. LUNGREN. I hope the questions I ask that no one gets the idea I am trying to look for any scapegoats in this in the whole prospect. One of the problems we have when we look at the various actors is some appear to be sensitive, and the feeling comes out that certain Members are against refugees or against voluntary agencies merely because we are trying to deal with different issues. So I hope everyone will bear that in mind.

Mr. Hawkes, I understand that certain refugee leaders are concerned that at least 50 percent of the funds that Congress allocates for refugee services is now consumed by State, local and county social service providers and off-the-top administrative costs. Could you tell me whether that is true?

Mr. HAWKES. Mr. Lungren, I don't think that is true. There are some States that have very small numbers of refugees, and because there is a requirement in the Refugee Act that every State have a State coordinator and have certain other structures in place to track this program, administrative costs are disproportionately high in a State with, say, under 400 refugees. The presence of a bureaucratic program to deal with that in the structure of the Federal law means that they have comparatively higher administrative costs than the national program in general. But I don't believe our administrative costs are that much higher than other comparable social service programs.

Mr. **Lungren**. Could you submit for the record those breakdowns by the States that are affected so we might be able to look at it? Perhaps in some States it is high because there are too few refugees. Maybe we should make some accommodations statutorily for that.

[The following information was submitted after the hearing:]

Administrative Costs, by State, Ranked High-to-Low: FY 1984

State	CMA Adm ($000) FY 84	SS Adm ($000) FY 84	Total Adm ($000) FY 84
Calif.	15768		15768
Illinois	3078	155	3233
Wash.	2870	290	3160
Oregon	2498	113	2611
New York	2519		2519
Mass.	2265		2265
Minnesota	2021		2021
Texas	1287	503	1790
Florida	1142	430	1572
Virginia	1213	184	1397
Colorado	729	280	1009
Georgia	707	208	915
Penn.	737	105	842
Michigan	800		800
Wisc.	743	15	758
R.I.	585		585
New Jersey	553		553
Utah	511		511
Ohio	320	133	453
Hawaii	393	39	432
Iowa	421		421
Arizona	256	149	405
Kansas	379	25	404
Maryland	348		348
Louisiana	258	77	335
Conn.	314		314
Idaho	280	4	284
Dist. Col.	168	52	220
Missouri	206	2	208
No. Car.	184		184
Oklahoma	137	17	154
Nevada	62	60	122
No. Dak.	113		113
Nebraska	108		108
Maine	93		93
Arkansas	59	30	89
New Hamp.	44	31	75
Tenn.	54	20	74
Montana	73		73
Alabama	71		71
Kentucky	40	23	63
Vermont	62		62
New Mexico	48	3	51
Miss.	44		44
So. Car.	27		27
West. Va.	26		26
Delaware	16		16
Indiana	12		12
Wyoming	8		8
So. Dak.	5		5
Guam	2		2
TOTAL	44657	2948	47605

Mr. LUNGREN. What percent of the money allocated for refugee resettlement over the last 10 years has gone to MAA's?

Mr. HAWKES. I would like to submit that for the record, too. I don't know.

Mr. LUNGREN. The only reason I am asking that is I have been getting a lot of questions presented to me and I have heard a lot of assertions made, and I don't have the figures to respond to them. I would just like to have those figures if you might be able to provide them.

Mr. HAWKES. Could I just talk a little bit about that subject? Four years ago we recognized that MAA's were relevant and could be effective service providers. We have encouraged States to fund MAA's in the line of service delivery. Many States have done this voluntarily. Then, 3 years ago, we introduced a discretionary program which gave States additional funds if they would match with some of their regular refugee funds—again to encourage MAA participation. That worked quite well, but several States absolutely refused to involve themselves with MAA's at all.

Mr. LUNGREN. Why?

Mr. HAWKES. I suppose for as many different reasons as there are States, Congressman. I really don't know all of the reasons.

But last year, in 1984, we gave an additional social service award to each State just asking them to supply us with a letter of intent that they would use that money only to fund MAA's. That has worked, and now all States participating in the program are funding MAA's. Some States use as much as 50 to 70 percent of their social services funds to fund MAA's to provide service, although it is an extremely mixed bag across the 49 States that participate. But, again, we can supply details of those figures for you.

[The following information was submitted after the hearing:]

ORR/MAA INCENTIVE GRANTS ALLOCATIONS PROGRAM

I. Background

In Fiscal Year 1984, ORR allocated $3.3 million to state agencies to provide funding directly to MAAs for delivering social services to refugee and entrant clients. The MAA incentive allocations to states were based on each state's proportion of the three-year refugee/entrant population (the minimum allocation was $5000 and a hold harmless provision was applied for states which received MAA incentive grants in FY 1983). States were allocated funds based upon assurances provided to the Director of ORR that funds would be used for the purposes stated in the written assurance to ORR. (Attachment A)

II. Status of States FY 1984 MAA Allocations

Of the $3.3 million allocated, a total of $3,278,619.00 was requested by forty-one states and the District of Columbia for funding of MAAs. (Attachment B). Nevada and Guam formally indicated their intention not to participate as there are no MAAs within their states. Four states (Delaware, West Virginia, Maine, and Wyoming) were not funded as they did not comply with the submission deadline for the required written assurances to ORR.

Of the 41 states and the District of Columbia which received the MAA allocations, 26 states have provided funding to MAAs. The total number of MAAs receiving funding, to date, is 69. Of these, 60 per cent or 41 MAAs are reportedly providing employment and ESL services and the remaining 28 MAAs or 40% are providing services ranging from social adjustment, supportive health, preventive mental health, transportation, and interpretation/translation. The MAAs and the services being provided are listed in Attachment C.

MAA awards are pending in the remaining 14 states and the District of Columbia. These are:

Region I:	New York ($169,259), Massachusetts ($89,393) Connecticut ($37,431), New Hampshire ($5,000) Vermont ($5,000).
Region III:	District of Columbia ($75,000), Pennsylvania ($91,892) Maryland ($42,246), Virginia ($99,021).
Region V:	Michigan ($52,498).

Region VI: Texas (Houston area, $165,000)
Louisiana ($43,435).

Region VIII: Missouri ($30,186).

Region IX: California ($811,000 to fund MAAs, $75,000 to fund one contract for technical assistance for MAAs),
Hawaii ($20,071).

The funding period for the majority of the 69 MAAs is one year. In states where the total MAA allocation falls within the $5,000-$10,000 range, the funding period varies depending upon needs (e.g. funding an MAA to translate a resource booklet, or to provide emergency translation services on an on-call basis) and availability of funds.

III. Problems Encountered by States in Program Implementation

For a majority of states such as Connecticut, New Hampshire, Vermont, Alabama, South Carolina, Mississippi, Michigan, Arkansas, New Mexico, Missouri, and Hawaii, which have set aside funding but have not made contract decisions, this may represent their first attempt at funding MAAs. Problems in implementation relate to (1) the very elementary organizational development of MAAs, (2) the number of MAA being too few to permit a competitive process, and (3) the lack of response by MAAs to the state's Request for Proposals (RFP).

States with prior experience in funding MAAs are augmenting or plan to augment their MAA allocations with other social service funds. This enable the states to create a larger pool of funds for contracting and thus provide the opportunity to expand the services provided by MAAs within their state. These are New Jersey, New York, Rhode Island, South Carolina, Illinois, Wisconsin, Minnesota, Ohio, and Oklahoma. Despite having prior experience with MAAs, some of these states are having implementation problems which have delayed contracting to MAAs until the latter part of FY 1985 (California, and New York). The State of California had to delay its RFP process until February 1985 and is not expected to make any MAA awards until July 1, 1985. The State of New York MAA allocation has yet to be used because its FY 1983 MAA incentive grants will not end until July 31, 1985. The State, therefore, plans to augment their MAA FY 84 set-aside with some of its social services allocations to fund the next round of MAA contracts on August 1, 1985. The State of Massachusetts anticipates earmarking some of its social services allocation with their FY 84 MAA allocation to fund MAA contracts in FY 86. Another problem which has caused delay in program implementation for some states (Illinois, Wisconsin, and Minnesota) is high MAA staff turnover caused by heavy burdens on MAAs resulting from serving large numbers of time-expired refugees and alleged underfunding.

Two states have set aside a portion of their allocations to provide technical assistance to MAAs. California provided 38 agencies/MAAs with $2,000 each as mini-planning grants to enable previously unfunded MAAs to secure assistance in developing concepts and proposals in response to the State's RFP released in February 1985. The State set aside $75,000 to purchase technical assistance services for MAAs. The State of Maryland also has set aside a portion of its allocations to purchase technical assistance services for the MAAs to be funded by the State.

IV. Total ORR Funding for MAA Initiatives from Fiscal Years 1980 - 1985

The FY 84 MAA allocations to states detailed above combined with the planned FY 85 allocations and other ORR-MAA initiatives since 1980 bring the total ORR funds for MAA-related funding to $11,754,556.00 These are as follows:

Fiscal Year 1980 -	$ 1,165,713.00	(FY 80 Supplemental Funds-25 MAAs)
Fiscal Year 1982 -	$ 791,462.00	(MAA incentive grants)
Fiscal Year 1983 -	$ 917,478.00	(MAA incentive grants)
	1,706,539.00	(States add-on to MAA incentive)
	377,717.00	(ORR/RO MAA leadership contracts)
	116,711.00	(one national MAA/TA contract)
Fiscal Year 1984 -	$ 3,278,619.00	(States' MAA allocations)
Fiscal Year 1985 -	$ 3,050,317.00	(States' MAA allocations)
	350,000.00	(one national MAA/TA contract)
TOTAL:	$11,754,556.00	

V. Fiscal Year 1985 MAA Incentive Allocations to States

ORR has announced that $3,050,317 in MAA incentive allocations will be allocated to States based on each State's proportion of the 3-year refugee/entrant population (including a floor amount of $5,000 to States with small refugee populations) in order to provide an incentive for States to fund refugee/entrant MAAs. To date (4/29/85), 19 states have submitted the written assurance to ORR. The deadline for submission is May 17, 1985. The nineteen states are:

Region I - Rhode Island, Connecticut, Massachusetts.
Region III - Virginia.
Region IV - Georgia, Kentucky, Mississippi, Tennessee, North Carolina.
ORR Florida- Florida.
Region V - Indiana, Michigan, Ohio, Wisconsin.
Region VI - Arkansas, Louisiana.
Region VIII- Colorado, Kansas, Utah.

Mr. Lungren. Do you see any problem with MAA's working with VOLAG's and other government agencies? What I am trying to get at is this: is there some protection of turf going on here? Is there some real problem that does not allow them to work? As much as everybody would like to wait until next July, and so on—I have looked at some recent polling data which shows that California support and the support of the American people generally for refugees has gone down the tubes, and it has gone down pretty fast. I was absolutely astounded when I looked at these recent figures. It is an attitude shift that I would not have anticipated.

My fear is that unless we really get this thing moving—and I am not saying you folks are not doing the job, we are going to be in a situation where we are going to go to the floor in the next year or two and ask for refugee assistance, and it is simply not going to be there. There is just not going to be any there.

As much as I would like to wait until July or some other time, I would like to find out why there doesn't appear to be the cooperation between MAA's voluntary agencies, and State and local governments. Is there something we are missing here? Is there some way we can kick this whole program in the rear end and shake it up before the whole thing falls? I am very, very fearful of that.

Mr. Hawkes. I think what you are looking for is, in fact, in place in many areas of the country. Not only do MAA's hold social service contracts directly with State or county governments, but often they are subcontractors of voluntary agencies who hold the prime contract for providing services.

I agree with you that it would be beneficial to the program to bring more refugee participation into it, and we have worked toward that end over the last 4 years. I don't think we are anywhere near where we should be or would like to be.

Mr. Mazzoli. The gentleman's time has expired.

The gentleman from Massachusetts is recognized for 5 minutes.

Mr. Frank. Thank you, Mr. Chairman.

Has the question of the cut in the domestic grants been raised yet?

Mr. Mazzoli. No; it has not.

Mr. Frank. It is now.

I don't think it is a terribly good idea, and I would be interested in—as I understand it, it is a proposal to phase them out altogether. Is the contention that the money is being totally wasted or, if not, if it is being used somewhat—who will do the functions? How is it to be picked up? What is the assumption about who was going to do that?

Mr. Hawkes. The matching grant program was initiated in 1979.

Mr. Frank. We only have 5 minutes. We have no time for history. Let's get right to the substance. Is it a total waste of money, and what is going to happen when we——

Mr. Hawkes. It is not a waste of money. It is an extremely effective program. In 1980, 20,000 people were resettled under the matching grant program.

Mr. Frank. So why are you abolishing an extremely effective program? I only have 5 minutes. Why do you want to abolish an extremely effective program?

Mr. Hawkes. The voluntary agencies have demonstrated the ability to raise as much as $20 million a year to carry out this project. With less than 4,000 people coming in and the need for $8 million to resettle them, it seems completely within the ability of the agencies carrying out that project to raise the money and perform that service.

Mr. Frank. It is not that the money was badly spent. I thought from the newspaper accounts and Ambassador Douglas—Ambassador Douglas, you were critical of a lot of the agencies and the way they spent the money. Does that include this grant? Is that part of your reason why you think it ought to be abolished?

Ambassador Douglas. Which particular newspaper account do you have in mind?

Mr. Frank. The Merced Sun Star, the one with the round-eyed organization comments.

Ambassador Douglas. I had just come down the valley where I had been looking at the Highland Lao. That morning I had been out where I had met some refugees who had just arrived and who hadn't even been contacted by their sponsor, I was rather irritated.

But I would say to you, Mr. Frank, that I wouldn't use a single newspaper reporter's account of what I said as totally authoritative.

Mr. Frank. I would appreciate it if you would send me whatever—I will send you a copy of the article, and you send me whatever——

Ambassador Douglas. I have already read the Merced paper. If you would like a statement of faith on what I think, I would be happy to send it to you.

Mr. Frank. Well, faith, morals, principle, whatever. I wouldn't restrict it.

Ambassador Douglas. Policy, in any event, yes.

Mr. Frank. I am a big church and state separator.

[The article follows:]

[From the Merced (CA) Sun-Star, Mar. 20, 1985]

DC Official Blasts Refugee Programs

(By Rose Certini)

Like icy Arctic wind taking a bitter stab at spring, Ambassador Eugene Douglas blew through Merced Tuesday, blasting refugee programs for a couple of hours before leaving as quickly as he came.

Douglas, a Reagan appointee and U.S. Coordinator for Refugee Affairs, was on a one-week tour of the Central Valley before visiting Africa.

He and his staff member visited Merced's Laotian community before meeting with county, schools and refugee services organizations.

A brusk man, Douglas left little to the imagination of what he thought about schools, churches and goverment programs that get federal aid for refugees.

Local officials, in turn, argued Merced County has a better success than other places Douglas has seen.

Nearly one-fifth of Merced County's 140,000 residents are from Southeast Asia and 15 percent of the city's school population are refugees. Most are Hmong, from the highlands of Laos, with some Lowland Lao and Mien.

Douglas expressed dismay at all the attention given to California and the Central Valley about social services and employment problems caused by a refugee migration that began in 1980.

Nearly 75 percent of Merced County's Southeast Asian population came from another state or city.

The Hmong are drawn to the valley because of the climate, the chance to join relatives and the generous welfare, according to Douglas.

"Washington is as dismayed by the avalanche of Hmong to the Central Valley as you are," Douglas said, but complained about how the state is dealing with the problem.

Refugees have told him American education was too formalized and Douglas said programs like English as a Second Language are not working well, he said. Many adults go to school for three years and still can't speak a word of English, he said.

Goverment programs also drew Douglas' ire.

He warned he gets angry when he hears the words "service provider."

"I don't want more providers. I want to put more refugees into jobs," he said.

"I am not arguing we don't want them assimilated. But our observation after 10 years in Indochina is that for the billions of dollars, too much has gone into the round-eyed organizations . . . and not getting down to the refugees."

The Reagan administration has proposed cutting off federal assistance funds to pay for refugee training after 1986 because the funds are not well-used, he said.

Merced County is expecting $1 million in targeted assistance this year—much of which will be contracted to schools, churches and other "service providers." In the past two years, the county spent a $1 million emergency federal grant to set up the training programs.

Douglas advocated spending the money to teach English and teach refugees while they are still in the Southeast Asian camps.

Douglas grew livid as he talked about sponsorship programs, where churches are paid to help in the resettlement. He said government winds up doing the job that should be done by the volunteer organizations.

"Catholics, Lutherans and Episcopalians are not doing their jobs. We pay them $559 per refugee and they leave these people abandoned. You, the taxpayers are taking it in the neck because of lousy sponsorship," he said.

He assailed California's welfare system for encouraging dependence.

Local officials agreed with some of Douglas assessments but argued with others.

Supervisor Fred Wack of Atwater told Douglas his remarks about church groups did not apply to local organizations, which he said are doing a good job with secondary migrants.

Charles Wimbley, director of the county's Refugee Services office, said he was concerned with Reagan's proposed cutoff.

"We're doing better than San Francisco and San Diego and we didn't get the big bucks for the number of people," said Wimbley.

Anyone trained in the past year will "bail out" once the federal incentives are gone, he said.

He agreed the welfare system encouraged unemployment, because many refugees entering the job market at minimum wage would earn less than they can get on welfare for large families. Those who cannot afford to go to work will never set foot in a workplace and consequently "you might as well plot out welfare for the next 35 years," Wimbley said.

Douglas predicted Merced County will see more refugees come than go.

"The consequences on this town are catastrophic in the human sense," he said.

Douglas left after the two-hour meeting, saying he would visit Merced again for a closer look.

Mr. FRANK. I just wanted to make clear that the proposal to wipe out the resettlement grant is not based on an administration view that it is being badly used, but rather that it can be raised elsewhere by private donations; is that——

Mr. HAWKES. That is right.

Mr. FRANK. I just put on the record that I think it is a poor idea, and also that there is some Federal responsibility, I think, here. Once you agree that it is being well spent, I don't think that it is a very useful thing and I think it makes it harder to have States and local people unhappy about this. I think that kind of a withdrawal is a mistake.

I have one other question I would like to raise having to do with the refugee numbers, which I continue to think is too low. I realize that my colleagues and the administration have, in general taken that position. This is not, I think, a case where the administration has been less forthcoming than my colleagues. But I do have some particular problems with it.

In particular, my assistant, Mr. Koltun, has been talking to the people in the State Department about the Romanian situation. What we get from them is they said we could mention some number problems. It looks to me like we don't have enough numbers to take care of the Romanians who have got this TCP process and that we may be running into some problems. I realize that the Romanians have not been models about how to deal with people here. But I am distressed that part of the problem appears to be our lack of numbers to take care all those in Romania who are eligible because they have gotten their passports approved to go. Could you clarify that for me?

Mr. **Purcell.** Yes, sir. We are allocating presently 2,000 numbers to the Romanian TCP program in 1985. That is out of the total 9,000 for Eastern Europe and the Soviet Union. A couple of years ago we found that this program was subject to a fair amount of abuse, and we stopped taking new registrations into this program August 27, 1982.

Mr. **Frank.** Abuse by whom?

Mr. **Purcell.** Pardon?

Mr. **Frank.** Abuse by whom?

Mr. **Purcell.** By people who should be using normal immigration programs.

Mr. **Frank.** Romanians?

Mr. **Purcell.** Yes. They were abusing it.

Mr. **Frank.** These were people claiming to be Romanians?

Mr. **Purcell.** These were Romanians, no question about it.

What we found then is that we had a backlog of about 10,000 people. We felt we had a moral obligation to those who had applied to the program under the ground rules that existed. We have since that time worked the pipeline down to about 4,800. We had assumed that something around 2,000 would be granted exit documents by the Romanian Government this year. It is true that the Romanian Government is accelerating the issuance of exit visas. We will certainly, as we go throughout the year, attempt to try to address the problem of Romanians. But we are working with a regionwide ceiling of 9,000 and there are great pressures against that ceiling.

Mr. **Frank.** Mr. Chairman, I just ask for 1 more minute, because it confirms my view that that regionwide ceiling is a disgrace, and I realize that it is not solely your responsibility.

What you just told me is that our pressures on the Romanian Government to let out more people have somewhat succeeded, but because of our own self-imposed ceiling, we can't take advantage of that. I am embarrassed as an American by the fact. That is just what you said, that they are being more forthcoming.

What if the Russians should give in and start to allow more people out? For us to have a self-imposed ceiling that does not allow us to take advantage of any success we have in pressuring these oppressive governments to let people out is an embarrassment, and I would hope that we would immediately move to remedy that.

Mr. **Purcell.** Sir, the self-imposed ceiling is required by the law.

Mr. **Mazzoli**. The gentleman's time has expired.

Mr. **Frank**. Yes, but we are the law. I understand that it is—but let's not confuse the people who make the law, the Congress and the administration, with some external force. That is exactly what I mean by a self-imposed ceiling, and it is an embarrassment.

Mr. **Mazzoli**. The gentleman from New York is recognized for 5 minutes.

Mr. **Fish**. Thank you, Mr. Chairman.

I have one brief point on this line, Mr. Purcell. Am I not correct that you and the administration are on record that should the flow from the Soviet Union suddenly increase that, without any delay, there would be consultation under the emergency provisions of the Refugee Act?

Mr. **Purcell**. I think we testified to that point last year, that if there were a change, we would come back under the emergency group admissions procedures.

Mr. **Fish**. Thank you.

Gentlemen, I apologize for not hearing your opening statements. I hope you will just tell me if my questions have been covered.

Mr. Hawkes, I am concerned that even though the voluntary agencies might be responsible for meeting the basic needs of refugees during their first 90 days, a refugee might be able to qualify for assistance from a public welfare agency. Is that a real possibility?

Mr. **Hawkes**. Yes, Mr. Fish, that is a possibility. Unless the agency were supporting the refugee at a cost level equal to public assistance, then the refugee could still apply and receive public assistance.

Mr. **Fish**. I know that section 402(a)(36) of the Social Security Act gives States the option of not counting in-kind support provided by private nonprofit agencies in determining AFDC eligibility. Is this one of your concerns?

Mr. **Hawkes**. Yes, it is very much. The State of California, for instance, which has our largest refugee population and highest dependency rate, under the rules and the law for the aid to families with dependent children program does not count in-kind support tendered by any voluntary agency toward the level of support needed to disqualify a person for welfare. So unless there was a specific disqualification in the law that stated that a refugee could not receive public assistance during the first 90 days in the country, or unless the voluntary agency put up the amount of support in cash, which voluntary agencies seldom do—I think a good deal of their support is usually in-kind—the person could apply for and receive AFDC.

Mr. **Fish**. If that occurred, would ORR still propose to reimburse States for costs they incurred during the refugee's first 90 days?

Mr. **Hawkes**. Our budget has already been adjusted on the assumption that the voluntary agencies will meet refugees needs during the first 90 days. About $17 million was removed from ORR's budget and included Mr. Purcell's budget request to support this particular activity. I believe it is the intent of the Refugee Act that refugees are a Federal responsibility for their first 3 years in the country. It would be hard to back away from that requirement in the law, but it would also be hard to see how we would cover those expenses since the money has already been transferred to State.

Mr. **Fish**. There simply are no funds in your budget for financial assistance during that period?

Mr. **Hawkes**. That is right.

Mr. **Fish**. Am I correct then in understanding that you believe there would either have to be a statutory exclusion from AFDC for the first 90 days or the voluntary agencies would have to provide assistance entirely in cash payments to the refugees in order to avoid the duplicate eligibility?

Mr. **Hawkes**. Yes, sir. And that cash payment would have to be in accord with the level of AFDC payments in the State in which the refugee resided.

Mr. **Fish**. What would be the effect, Mr. Hawkes, of such provisions on refugees who decided to secondarily migrate, that is to move to a new location on their own initiative, immediately after their initial resettlement?

Mr. **Hawkes**. Presumably, if a voluntary agency had a local presence in an area where a secondary migrant arrived, then the agency could manage some sort of responsibility. I think that, in order for secondary migration to be dealt with, there would probably have to be some kind of provision in the cooperative agreement between agencies and the Department of State to pick up that particular kind of errant population. On the other hand, it might also prove a detriment to secondary migration.

Mr. **Fish**. Mr. Hawkes, my colleague from Massachusetts raised the issue of matching grants. It has always been my perception that the matching grant program was a very successful one. What is your evaluation of it, and hasn't it been far more successful than other comparative programs that avoided the enticements of welfare?

Mr. **Hawkes**. The evidence that we have on the matching grant program is quite favorable. The voluntary agencies under the matching grant program deal mainly with East Europeans, although there are some Africans and Middle Eastern people included, and they do manage to treat those people in such a way that welfare dependency is lower among that population.

On the other hand, in past years the agencies themselves, to meet the match, have raised more than three times the level that is currently needed to resettle that population. It is our contention that the agencies are fully capable of funding this program entirely on their own using only the initial R and P funds available from the State Department.

Mr. **Mazzoli**. The gentleman's time has expired.

The gentleman from Florida is recognized for 5 minutes.

Mr. **McCollum**. Thank you, Mr. Chairman.

Mr. Purcell, I was in Southeast Asia a year ago January, and I was very concerned at that time, as you are aware, of the flow of those Vietnamese who crossed Cambodia out of re-education camps who had served with us and the South Vietnamese Army, and so on, during the war. I would like to know what the present policy of the State Department is with regard to those who are and continue to flee across Cambodia from the Vietnamese re-education camps. Are we resettling? Will we resettle more?

Mr. PURCELL. As you recall, the population you refer to are the land Vietnamese located at Dong Ruk. We did indicate this past year that we would participate in an international resettlement effort. We did do that. Of the population there, we resettled about 1,000.

Our policy basically with regard to the whole border now, regardless of Vietnamese or Khmer, is to take a very cautious approach. We have 250,000 Khmer who have been forced into Thailand. We have got to be very careful in terms of how we go about approaching that problem. It is my belief that the solution there is not a resettlement solution. We have got to look at the intentions of the Vietnamese, the intentions of the Thai Government, before we launch any processing program. I would say that applies not only for Khmer. At this point we would be very cautious about Vietnamese as well.

Mr. MCCOLLUM. Is my understanding correct, Mr. Purcell, that of the thousand or so that we finally resettled out of Dong Ruk, that, in fact, the majority of those were those from re-education camps who had served in these South Vietnamese Army side by side with our soldiers?

Mr. PURCELL. There was a small proportion of that 1,000 who had fled from re-education camps. Our system there in interviewing the population obviously was to try to facilitate their resettlement. We certainly would continue to do so. I am not saying we have a flat bar, but I think the border is a very volatile situaton presently.

Mr. MCCOLLUM. What do you consider a small portion, 200 or 300 of 1,000?

Mr. PURCELL. My understanding was around 10 percent of the population were former re-education camp——

Mr. MCCOLLUM. In January of that year when I was over there, there were something like 1,300 in that camp. I know it increased considerably more before the process was completed. I have a list that I obtained at the time we were over there from that camp that had over 200 names on it. I would very much like to submit this list to you and find out how many of these people in fact were among the 1,000. It is just inconceivable to me that it wasn't greater than 10 percent of the ones that you took.

Let me also ask you a question about the timing on how long this took. It is my understanding from a GAO audit that the preliminary draft, of which I have received back on this whole question of the Dong Ruk settlement, is that as of March of last year, March of 1984, the Government of Thailand had agreed to allow the processing of these Vietnamese refugees for resettlement purposes out of Dong Ruk as long as we would go in there and process them at Dong Ruk itself. It is also my understanding that State refused to do that, that there was a hangup in that process, and that, in fact, nothing took place until late in the fall, and no refugees were resettled from that until after the camp was overrun, even though INS went in there just before Christmas Day.

It seems to me to be, if this is true, a very reprehensible thing for us to have let these refugees in there that long and allowed the runover that occurred at the beginning of this year of that camp, particularly with the numbers that I think were in there of South Vietnamese who had assisted us in the war.

Could you respond to that?

Mr. **Purcell**. I would say that I categorically reject the notion that the United States participated in a reprehensible action. What we have in Southeast Asia are large refugee populations which you cannot take in isolation. One has to look at their interaction. It is not the United States' sole responsibility to resettle any population. It is our objective to work under international auspices to promote international burden-sharing. This program was conducted both by the International Committee of the Red Cross [ICRC] and the U.N. High Commissioner for Refugees [UNHCR].

At the time you are referring to, in March, you will recall also that Mr. Prasong Soonsiri, chairman of the Thai National Security Council, indicated there are a number of Vietnamese that we had previously rejected, and he would like to see those Vietnamese settled first. We cannot accept people who don't qualify for our program. We did attempt to get other governments to take those so that the Thai would permit resettlement.

Ultimately, during the fall of this past year, the ICRC worked out a schedule for resettlement governments to go in and process. In order to facilitate international burden-sharing of the resettlement effort, the United States was placed at the end of that schedule. We wanted to have the Canadians, the Australians, the Europeans look at that the first. We followed exactly according to the schedule determined by the ICRC. We took out 1,000——

Mr. **McCollum**. Mr. Purcell, this is just way too slow, as far as I am concerned. We took 1,035 of those people. There were a little over 300 taken by the other countries. We put ourselves at the end of the list. It seems to me absolutely, as I said, reprehensible that we let this situation drag on for over a year until those camps were overrun, after I had been over there and you and I had talked about it. I just don't think what you are saying justifies allowing those particular individuals, that particular category, to be left there that long. It is just absolutely, as I say, reprehensible.

Mr. **Mazzoli**. The gentleman's time has expired.

The gentleman from California is recognized for 5 minutes.

Mr. **Berman**. Thank you, Mr. Chairman.

Initially, I might say how much I appreciate and support the markup of the bill that you have introduced on refugee assistance, and most particularly the fact that it authorizes the targeted assistance program and prohibits the block grants. Those are two features of it that I am personally very supportive of, and I want to be as helpful as I can. Again, my appreciation to you and the staff for this legislation.

I would like to ask Mr. Hawkes a couple of questions. There are two things that concern me, and I am just starting to learn about this whole program and I am new to the subcommittee. One is the targeted assistance issue and the question of how that is being funded, and the second is the regulations which mandate this 85–15 split which is drawing a tremendous number of protests from people in my State as a very unfair and unjustified restriction on their ability to provide critical services to refugees.

Let's talk about the targeted assistance first. As I understand it, you have essentially decided to take the $50 million appropriation for fiscal year 1985 and, notwithstanding the language in the report that accompanied the continuing resolution, to only provide $11 million in new money and to make up the remaining part of that $50 million with hold-over money from fiscal year 1984 appropriation. Is that a correct understanding of the situation?

Mr. HAWKES. That is correct.

Mr. BERMAN. Let me read you the report language that accompanied the passage of the continuing resolution.

> It is the intent of the conferees that $50 million will be available for the targeted assistance program in fiscal year 1985 and that the Department will expend new monies to fulfill the 1985 appropriation levels provided by this bill. The conferees expressed concern that the agency's delay in allocating and releasing funds until the third and fourth quarter of each year often leave State and local entities without funds at the beginning of their program years, and directs the Department not to reduce any State and local entity's allotment on the basis of 1984 funds carried over or previous committed.

How do you justify your decision given the very clear and unambiguous expression of congressional intent contained in the report?

Mr. HAWKES. Can I start with 1983 funding? I think that this is something that really has to be placed in context, with your permission.

In 1983, we requested $35 million for targeted assistance, which Congress doubled to $70 million and then added $11 million for a total of $81 million. It was our contention at the time that that was much more money than the refugee specific service community could deal with. As a matter of fact, most California counties that received targeted assistance money are just now completing their 1983 targeted assistance programs, and most counties have requested that they carry over unexpended 1983 funds to start the new cycle of targeted assistance for which they have been allocated 1984 funds. So, as a matter of fact, the money stretched out much farther than even we had anticipated.

Our 1984 awards had to be made at a time when we hadn't even been able to begin evaluation of what we had purchased in 1983 with targeted assistance money. Because of that, we requested from Congress the authority to carry 1984 funds over into 1985. About $39 million was carried over into 1985, giving us a 2-year authority because, frankly, no one was ready for the additional money. If we would have had to award that money in 1984, we would have built a two-layered program. With a year yet to run on 1983 money and 1984 money coming out at the same time, with the need to obligate those funds before the end of the fiscal year, we would have had essentially two simultaneous targeted assistance programs in the 42 counties that participate in targeted assistance.

In 1985, we took the $39 million of carryover for which we had asked for a 2-year appropriation and added to it $11 million to make up the $50 million. That $50 million will carry all 42 targeted assistance counties through the second quarter of 1986, and will carry at least 20 of those counties through the end of 1986.

It seems again that if the intent of the congressional action was to not reduce any State's award and to maintain the program in its current form through the end of fiscal year 1985, we have done more than that with the funds available.

Mr. Berman. Just on that point—and I guess we will be hearing from at least one witness who runs a California county program a little bit later——

Mr. Mazzoli. The gentleman's time has expired. I will yield him 1 more minute.

Mr. Berman. I appreciate that very much, Mr. Chairman.

In the 1985 appropriation, the $50 million based on what you said—and I will be interested in hearing from the California representative about your analysis of that—not 1 dollar of the $50 million appropriated will, I take it, go to California. As I understand it, you are taking the $50 million, you are saying $39 million of it is going to be spent out of 1984 funds, $11 million out of 1985 funds, none of it to the State that has——

Mr. Hawkes. You mean none of the $11 million?

Mr. Berman. None of the $11 million to the State that has 50 percent of the refugees in the country.

Mr. Hawkes. None of the $11 million, but a majority of the $39 million.

Mr. Mazzoli. The gentleman's time has expired.

The Chair recognizes itself for 5 minutes.

Mr. Purcell, I have a couple of quick questions. Our friend, Congressman McKinney, who was active in the formulation of Public Law 97-359, regarding Amerasians, has asked me to propose this question. His question would be: What is the current situation regarding the immigration of Amerasians either under Public Law 97-359 or the ODP program? Do you have numbers readily available? If not, I would ask——

Mr. Purcell. Yes, sir; this year we have processed about 1,500 Asian-American children and accompanying family members. Since the program started, I can provide the precise figures, but it is right under 5,000.

Mr. Mazzoli. So it is 1,500 for this year and about 5,000 totally. In all these ODP cases, do the children go to Bataan first before they come to the United States?

Mr. Purcell. We started this past year sending all the children to Bataan for orientation training. It is particularly important for the mothers.

Mr. Mazzoli. A 6-month period, basically speaking, is that what it is?

Mr. Purcell. Yes.

Mr. Mazzoli. How many would be there? Do you have any call on that?

Mr. Purcell. I will get a precise number, but I would think there are probably a couple of thousand.

[See appendix 2.]

Mr. Mazzoli. The other questions ask about the documentation required for processing. Are there any snafus there? Do you get reasonable cooperation from all sides?

Mr. Purcell. We get cooperation. The problem is looking at Asian/Americans either in urban areas or in rural areas. On the rural side, they tend to be more settled and documented relationships easier to prove. In urban areas, there is virtually no documentation, and we have to start from scratch.

Mr. **Mazzoli.** Just out of curiosity, how do you get the names of children who are qualified? Some probably come from parents who would like to have their children back or a father, but when that doesn't happen, is it just the mother of the child presents herself someplace?

Mr. **Purcell.** It can happen in a variety of ways. It could be from the parent or friends. Also there are a number of voluntary agencies who have facilities inside Vietnam and they provide us with lists.

Mr. **Mazzoli.** I recall once about—I don't know whether it is the Amerasian program or the ODP—where U.S. people can't stay in Ho Chi Minh City for very long. Is that still the case you can't permanently place people there?

Mr. **Purcell.** We have made significant improvements with the Vietnamese on that score. We had up until about a year ago only facilities for two people. Of course, it was an overwhelming job. We now have a list of eight interviewers and five can be there at any one time, and we are intending to work with the Vietnamese to increase our interviewing presence.

Mr. **Mazzoli.** Someone on the staff has reminded me that there is something about the failure to be able to have an ICM [Intergovernmental Committee for Migration] doctor on the scene; is that the case?

Mr. **Purcell.** We have been negotiating to try to have an ICM presence in Vietnam itself. We were not successful in that, but the Vietnamese have agreed to have two ICM physicians in Vietnam to act as counselors or assistants to train Vietnamese physicians. Also, special cases can be referred to ICM for screening prior to departure from Vietnam. We have not got ICM as the physical presence, but they are providing training to the Vietnamese doctors.

Mr. **Mazzoli.** So the Vietnamese still demand to make their own physical examinations, but they are basically applying guidelines supplied by the ICM doctors; is that the case?

Mr. **Purcell.** That is correct.

Mr. **Mazzoli.** One last question on this question of ODP, and it may be involving Mr. Hawkes, for all I know. It is suggested that certain problems have arisen because there are different benefits provided for people who come as an immigrant through ODP and those who come as Amerasians, through that program. Is that the case, or is there any problem indeed?

Mr. **Purcell.** That certainly is the case. We are brining out, as you know, Asian/Americans for the most part as refugees. We have made a determination that they fit the requirements.

Mr. **Mazzoli.** So the children are being brought out as refugees?

Mr. **Purcell.** As refugees.

Mr. **Mazzoli.** And most of the other cases are being also brought as refugees?

Mr. **Purcell.** Well, we are, as you know, in ODP, attempting to try to change the scope of ODP from a refugee program to normal immigration. We are now getting about 30 percent of the annual flow as immigrant visas. We do facilitate their transportation, but obviously, as an immigrant, they are not eligible for the support systems that are available here for refugees. Their petitioning relatives normally have to indicate that they will support them for a period of up to 5 years.

Mr. **Mazzoli**. Just out of curiosity, and I probably should know this, but if there are 1,500 children who come as Amerasians, how many totally are being handled by ODP?

Mr. **Purcell**. We have three basic subprograms in ODP. One we call the regular program, the other Asian/American, and the other political prisoners. Had we been successful in all of our initiatives with the Vietnamese, we would probably have seen up to 18,000 people moving through ODP this year. We would have thought about 30 percent of that 18,000 would have been as immigrants, the remainder probably as refugees. With the lack of success in the political prisoner initiative, and with Asian/American children not being provided to us as quickly as we had hoped, that figure will probably be something under 15,000 this year.

Mr. **Mazzoli**. But you actually will move 15,000 people, which is a fairly goodly number? Its original numbers were what, just a few hundred at the start?

Mr. **Purcell**. The program started in 1979. It was very slow getting off the ground. We had as a goal since the start of the program, the movement of up to 1,000 a month, but the Vietnamese were never able to assist us in that. Our objective is to try to get that—there are 21 countries who have ODP programs. Our objective is to get ODP recognized as a safe means of departure out so that it can act as an alternative to clandestine departure from Vietnam.

We also want to try to convert what we have seen as a refugee flow primarily for the last 10 years as much as possible to normal immigration channels. We believe that ODP is a major means of accomplishing that objective.

Mr. **Mazzoli**. Thank you.

My time has again expired. The gentleman from California is recognized for 5 minutes.

Mr. **Lungren**. Thank you, Mr. Chairman.

Mr. Hawkes, I have been informed that in Fresno, CA, an MAA called the Lao Family Community, Inc., a fully accredited VOLAG, made an application for a grant to perform social services for the Highland Lao Community. As recently as yesterday, I understand, Fresno County denied the request for $60,000 out of a total grant of some $800,000 to provide their services and, as it turns out, the Lutheran Immigration and Resettlement Service received the grant to do the same service for $85,000. That sounds to me like a loss of $25,000 to the program that could go elsewhere. Do you have any familiarity with that case?

Mr. **Hawkes**. No; I don't know anything about that particular case. I do know that Fresno County has both targeted assistance and social services money and has used the competitive award system to make its grants.

Mr. **Lungren**. Would you mind taking a look at that and responding to me on that?

Mr. **Hawkes**. Certainly.

[The following information was submitted after the hearing:]

Lao Family Community (LFC) was one of four bidders for funds to support assistance to Fresno county refugees as a part of a public safety education and assistance program under the county's targeted assistance (TA) program. Funds to support this service were from the 15% of the total amount available for unusual service needs as provided for in ORR's FY 1984 TA announcement.

Lao Family ranked lowest of the four applicants. Based upon an independent panel review, LFC was generally non-responsive to the criteria of the announcement. LIRS application was judged best by the reviewers and, while funded at $81,400 (a higher amount than the Lao Family application), provided the best package of services as judged by the expert reviewers. There is no requirement that the lowest cost proposal be funded if it does not fit the requirements of the program.

Lao Family did, however, compete successfully for $171,600 of TA funding ($85,000 agricultural training, $65,800 employment services/job placement; $20,000 legal training and translation services). Additionally, Lao Family received $75,137 for vocational training under the State's social services allocation from ORR.

Mr. Lungren. Again, I get discordant signals from different parts of the refugee community, and I would just like to find out who is telling what and what the facts are. It just seems to me that if the Lao Family Community, Inc. is fully accredited and they claimed can do it for $60,000, unless there was a finding that they were incapable of doing what they say they can do, we have some problems there.

The Congress has been funding the English as a second language program for a number of years. We have all stressed the English training program. How do you monitor the success or failure of an ORR-funded program, and are you satisfied with where we are with the English as a second language program?

Mr. Hawkes. First of all, how do we monitor. Our program is mainly a federally funded and State-administered program. The State gives us a plan as to how they are going to spend their money, we approve the plan, and then monitor the State carrying that plan out. What we really do is to monitor the State's monitoring effort. Basically that is how we monitor, although we do make a reasonable number of on-site visits to programs funded by the States.

Mr. Lungren. Are you satisfied with the authority you have to monitor the monitoring?

Mr. Hawkes. We have authority to monitor. I am not sure that we are getting the best possible English language classes—training in all cases. And there are a variety of reasons for that. Sometimes it is in the determination of who needs how much English and who is making that determination and according to whose guidelines. For example, a person who may be found employable in Chicago might not be found employable in Seattle with essentially the same qualifications. We are trying to emphasize services concurrently with employment, rather than services first and employment to follow.

Generally, I think that there are many fine programs. If you ask me, are we totally satisfied? No.

Mr. Lungren. Mr. Purcell, we discussed the possibility of doing a better job in English language training while still in the camps. Recently I received correspondence from two California legislators, Mr. Agnus and Mr. Carpenter, complaining about the quality of the training received, particularly in the camps in the Philippines. In fact, their allegation is that the quality of instruction is particularly poor, and what we are hearing is that you on the Federal level are responsible for doing something, Mr. Congressman, what is it that you are doing about it?

So, my question is divided into two parts. First, have you studied the effect on overall public assistance savings which flow from solid preparation of English language? In other words, can we show that it is cost effective and extremely important for training in the English language prior to entering the United States? Second, what has been done since 1983 to improve the English language aptitude among incoming refugees?

I think that question is a perennial one. I think I asked it the same way last year, and I think the answer was you didn't have enough information at that time.

Mr. PURCELL. Since this program started in 1980, we have realized that we need to be able to prove the linkage between the English language training abroad and successful resettlement in this country. In order to do that, the Bureau contracted with a private firm, has been looking at this program from June 1982 through September 1984. They have just issued their report. I would like to read you the conclusion of that report.

Mr. LUNGREN. If we can get it within the 5 minutes, I would love to hear it.

Mr. PURCELL [reading]:

> Taken together, the results of the study comprise a strong endorsement of pre-entry training for Southeast Asian refugees both in concept and the way the training has been implemented. Evidence of the program's positive impact on resettlement was found in every phase of data collection. Results passed even the most rigorous tests of statistical significance. The impact is clearly the greatest in the area of English proficiency, where test results show enormous differences between trained and untrained groups. There is simply no doubt that pre-entry training should be regarded as an essential element of refugee resettlement and should continue to be funded at whatever level is necessary to maintain its current level of high-quality construction.

Mr. LUNGREN. I appreciate that. We agree on that.

My question is: Are you satisfied with where we are in the Philippine camps, and what do I say to those critics who say that English training in the Philippine refugee camps is not only not up to snuff, but is poor?

Mr. PURCELL. I would certainly reject the notion that it is poor. I think this is the kind of program, as Ambassador Douglas indicated in his opening remarks, that we continually try to improve. We have made numerous refinements, and we continue to do so.

Mr. LUNGREN. What measuring sticks do we have?

Mr. PURCELL. The indications are that all refugee groups, all ethnic groups, are progressing.

Mr. LUNGREN. What measuring sticks do we have? What can I say if I go back to them? Should I say 5 percent now have it and have gotten off welfare?

Mr. PURCELL. I have a report which I will submit to you done by the Center for Applied Linguistics, which gives the statistical results of our pre-entry testing.

Mr. MAZZOLI. Mr. Hawkes has maybe 30 seconds.

Mr. HAWKES. Could I add something to that question? I think there is some misunderstanding here of what is going on.

Mr. LUNGREN. If you respond to the question, I would love to hear it.

Mr. **Hawkes**. ORR has recently been visiting California counties on a one-to-one basis, and I talked personally with a county welfare director 2 weeks ago or 3 weeks ago and asked him how they used the English language achievement level that was on incoming refugees, I-94 cards, and they didn't use it at all. They didn't even know it was there.

On the other hand, we talked to another service provider who was also a central intake unit about the English level of arriving refugees, and he said it was wonderful. Four years ago, they were putting all the refugees in levels 1, 2, and 3 of English. Now they are putting them all in 4, 5, and 6.

So the refugees are achieving the English necessary in the camps. The problem is the service provider is still providing a service and has just raised his level of achievement up that much higher to account for what they already know in order to give them another year of English.

Mr. **Mazzoli**. The gentleman's time has expired.

The gentleman from New York is recognized for 5 minutes.

Mr. **Fish**. Thank you, Mr. Chairman.

Briefly, Mr. Purcell, we have taken great pride in our Iranian refugee program over the last 2 years. However, I am hearing from the Bahai community that processing has been slow and adequate numbers not available. If this is true, how do you plan to resolve the problem?

Mr. **Purcell**. You will recall earlier in the year, in an effort to target our program more specifically in religious minorities from Iran, we revised the processing priority number 4 to take particular account of Bahai, Jewish and other groups. We have received reports from all of our processing posts, and we are beginning to see backlogs of all types of Iranians. We are attempting through our regional ceiling to provide as much relief as possible that can be targeted on the religious minority groups. It seems clear to me, however, that within our 5,000 ceiling, it will be difficult to totally clear up the backlog by the end of this year. Yesterday, for example, we were able to reallocate something around another 150 numbers which we have provided to Rome to try to address the backlog of Iranians.

We are sensitive to the problem, and certainly as we go through the year, we will attempt to adjust to take care of this group, which we ourselves are trying to focus on. We are very much sensitive to it.

Mr. **Fish**. Thank you.

Mr. Hawkes, briefly, Hmong refugees, as you know, have special resettlement problems, and I would like to know what efforts are being made to assist them in their resettlement. Specifically, has ORR funded any special projects to promote short-term self-sufficiency or long-term economic development? Do you encourage the involvement of the private sector in addressing Hmong refugee problems?

Mr. **Hawkes**. Mr. Fish, yes, to the last two questions.

We are involved in a number of worthwhile program activities. For 2 years now we have funded a Hmong initiative program through States to try to build employment opportunities for Hmong who are placed outside of heavy impact areas, particularly outside of California, outside of Minneapolis-St. Paul, and a couple of other cities.

We are also encouraging Hmong to secondarily migrate. As you probably are aware, about 15,000 to 20,000 Hmong picked up from various areas where they originally resettled around the country and moved to California, mainly to the central valley, in the 1982-83 period. We are attempting to work with local governments and with the Hmong leadership itself to get some of the Hmong to move to where there are jobs. There are not jobs available for most of them where they are currently located.

Last summer, we focused an effort on working with Hmong who were in the camps and were U.S.-bound. We worked with them through the voluntary agencies in an effort to convince them to resettle in areas of the United States where there were jobs and housing, as opposed to going to high impact cities. We will continue to work with the Hmong leadership and the private sector toward this end. We have about a half a dozen initiatives actually that deal specifically with Hmong.

Mr. FISH. Thank you very much.

Mr. Derwinski or Mr. Douglas, earlier Mr. Hawkes in response to my question stated that the matching grant program was effective. Would you agree with me that this is an effective tool and that it should be continued in its present form?

Ambassador DOUGLAS. Who wants to be put on the spot first?

I don't think there is any question, Mr. Fish, that the matching grants have worked well. I think the practical issue has been of duplicative programs and whether we are going to have resettlement and placement grants plus a matching grant program. If the Congress wishes to go through a legislative initiative to specify one thing or the other, I guess we will come forward with an opinion on it, Frankly, in our work for the upcoming budget we felt that it was unneeded, given the fact that it was originally a start-up grant. There is no denying the fact that it has been effective and well administered.

Mr. FISH. Thank you very much.

Mr. Purcell, I am going to demonstrate the importance that I credit to the line of questioning that my colleague from Florida, Mr. McCollum, has directed at you with respect to the overland Vietnamese and the Cambodian border. I am going to yield him the balance of my time, Mr. Chairman.

Mr. McCollum visited there over a year ago. Mr. Purcell has graciously given of his time in my office on several occasions where we tried to work this out. It is now well over a year since we expressed our interest in this matter. I would like to yield at this time to my colleague.

Mr. MAZZOLI. The gentleman gets 6 additional seconds. The gentleman is recognized for 5 minutes and 6 seconds. [Laughter.]

Mr. MCCOLLUM. Thank you, and thank you, Mr. Fish, for those 6 seconds.

I wanted to ask a question, Mr. Purcell, pertaining to the consideration at the time of Dong Ruk of the category of Vietnamese who had crossed Cambodia and were in that camp and who had been associated with the Vietnamese military in South Vietnam, but who did not have any employment with the United States Government and had no relatives in the United States. Were those people given any priority considerations at all?

Mr. PURCELL. Yes; they were. As you know, we have processing priorities—based on close associations with the U.S. and the former South Vietnamese government. These are covered in priorities 1 through 4.

Mr. MCCOLLUM. So category 4, as I understand it, has other ties to the United States?

Mr. PURCELL. That is right.

Mr. MCCOLLUM. That is the close association that would bring in the military?

Mr. PURCELL. Yes; we certainly did attempt to focus—in fact, we had special teams looking at the population. We started out with 900 people in January, or about 1,000 at the time of your visit. By the time we started processing, we had 4,300 land Vietnamese at Dong Ruk. We did give instructions and assistance to our staffs—the Joint Voluntary Agency [JVA], our refugee people, and INS—to process as many as they could within the priorities 1 through 4.

Mr. MCCOLLUM. Let me follow up on this timetable so we put this in perspective. I don't want to be overly argumentative with you, but I want to clarify our understanding.

The International Committee on Red Cross had several meetings on this in early 1984. The third meeting about the subject of resettlement of these particular refugees on March 16, the minutes of that meeting say that the Thai Government indicated they would allow countries to directly process from Dong Ruk. At that time, also those minutes indicate that our Government, our State Department representative, said we don't want to go in there, and we are not going into Dong Ruk to do the processing. There is no indication of any processing or any further agreement until we get—several months later, from March back into September 1984, when at that particular point in time there is a formal understanding reached to process. At that time, did State go into or were people taken out and processed in Thailand?

Mr. PURCELL. No, sir; you must recall that at Dong Ruk, we had at that time about 3,000 land Vietnamese. We also had 17,000 Khmer refugees. Our policy is not to try to initiate a resettlement program for the border Khmer, even though there are very strong pressures to do that. It was our feeling, supported by a number of other governments, that a decision to go into Dong Ruk and to process there would start and force practices that we would eventually be unable to control.

Mr. Prasong at that time—I spoke with him—indicated that he would agree to processing if we would take out the 300-some-odd Vietnamese at Phanat Nikhom that had been rejected. I told him that we could not take refugees that INS had turned down. We would attempt to get other governments to take them in order to remove that impediment. We were successful in getting a fair number of those resettled by other governments. We operated, as I believe the GAO report on this subject will confirm, in accord with rational and humane procedures. I followed very closely the indications from this committee and others that in dealing with the United States resettlement program we must act in a strong burden-sharing way.

Mr. McCollum. Did we go into Dong Ruk physically and interview these people?

Mr. Purcell. No, sir; we did not go into Dong Ruk. That, I believe, would have been a drastic mistake, considering the location of the camp and its proximity to a much larger Khmer population at the same camp.

Mr. McCollum. So it is true that the real holdup of several months occurred because we would not go in there and the Thai Government would not let them come out?

Mr. Purcell. The Thai Government wanted the other refugees at Phanat Nikhom resettled first. They made that very clear to me.

Mr. McCollum. Yes, but the Thai Government did say at one point, regardless of that, we will let you, if you go into Dong Ruk—if you go in there physically and resettle, we will let you do that. They did say that; isn't that correct?

Mr. Purcell. I am not aware they said that. I will have to confirm that particular statement.

Mr. McCollum. That is on the record.

Mr. Purcell. It was not made clear to me by Mr. Prasong, who runs the National Security Council of the Government of Thailand.

Mr. McCollum. What do you mean by the word "cautious" used to describe how we are dealing with the refugees now? What do you mean by saying that we are taking a cautious policy? Are we going to be interviewing anybody among either the Khmer or the Vietnamese who are sitting in Thailand?

Mr. Purcell. I have an instruction to the field that we are not to process the border Khmer as refugees presently. That is based on the collective judgments of the governments in the region, the United States, Canada, Australia, to resettle in——

Mr. McCollum. How about border Vietnamese?

Mr. Purcell. My instructions right now are not to process refugees off the border.

Mr. McCollum. Does that mean that we are not even going to find out if any of these people were in re-education camps? We won't even talk to them, right? The process means you don't talk to them until you decide to process, right?

Mr. Purcell. We will certainly look to see if there is a rational case that can be made for that population. We do have a review procedure, and I have instructed our people in the field to abide by the review procedure, both with processing inside Thailand and that group from the border that we considered.

Mr. McCollum. By the way, on that question of increased population, I just want to put on the record the fact that when I visited the camp in January, Dong Ruk had a Vietnamese population of about 1,300. By the time the March 16 meeting of the ICRC were held where they said we could go in there, we could process them, the population was just shy of 1,500. It didn't go up very much in the next 2 or 3 months. The big jump occurred in the late summer and early fall, right about the time that we finally agreed to go in there. And it was only after that period in time that we had the increase in population. So I would submit that had we been willing to go in and take that handful out, Mr. Purcell, we really wouldn't have had a magnet effect, we would have avoided saved the kind of consequences the overrun of that camp for those individuals involved. And the policies that you have reiterated, just in my judgment, as far as the Vietnamese are concerned—though I respect the ones of the Khmer—have no merit.

Mr. **Mazzoli.** The gentleman's time has expired.

The gentleman from California.

Mr. **Berman.** Thank you, Mr. Chairman.

I would like to just continue on this targeted assistance issue. As I thought about your answers, they had a superficial appeal, but you left an impression with me that here are a group of California counties running targeted assistance programs designed to provide social services to refugees so they won't become welfare dependent, and the dollars were stuffed in their pockets, just spilling out, that they have so much money because of the pipeline in that they were saying, "Please, let us hold a little of that money over," and "Let us carry over to the next fiscal year," and that essentially there was no need for this.

My notes, from what they are saying to me, is a somewhat different picture. It is a picture of counties believing they had this money based on congressional appropriations, budgeting and spending this money for services. The office—your office—essentially, for whatever the reasons are—they may have been good and they may have been slow, and they may have been slow unintentionally or they may have been slow deliberately, I have no idea—was delaying in the allocation of these funds to the point where the counties had to get authorization for carry-overs to collect the moneys from the Federal Government they had already spent, budgeted and spent in running these programs. And that, in many cases, delays after congressional action were very lengthy.

I would be interested in your straightening out which of these interpretations—if either is correct. And, second, dealing with this issue, Congress has decided on a certain level of funding to go to targeted assistance. You are spending $11 million of the $50 million appropriated in fiscal year 1985 because you are using the carry-over money to come to the total of $50 million. What is your plan with the remaining $39 million that Congress appropriated in fiscal year 1985?

Mr. **Hawkes.** It is the contention of the General Counsel of Health and Human Services that our interpretation of that $50 million is the correct interpretation, and the $39 million carry-over from 1984 and the $11 million of 1985 meet the congressional intent.

There was only one delay that I am aware of in the recent distribution of targeted assistance funds to California, and that was when we received our first six-month progress report from the the State of California on the targeted assistance programs, and found that in some counties, although something like 70 to 80 percent of their 1983 targeted assistance funds had been expended, there were fewer than a dozen job placements. In fact, some placements in some of the counties were running as high as $20,000 per placement. As a result, we asked the State for more data as to how those funds were actually being spent, and for the State to give us a plan as to how they would prevent that kind of excess from occurring in the future. The State did that and we made the award.

To my knowledge, no California program suffered, and none was stopped as a result of our request from the State for assurances that they were, in fact, taking their monitoring responsibilities seriously.

If you are referring to the original start-up of the program, then that is another story.

Mr. **Berman**. No; I am referring to the actions in the fiscal year 1984 supplemental, the original budget and supplemental.

Mr. **Hawkes**. No county that I am aware has run out of funds or has had to use its own money.

Mr. **Berman**. Is there a need for these social services that is not yet met?

Mr. **Hawkes**. There is. And when you consider that a program is funded currently through mid-1986—through June, actually, and in many cases through September 1986—I believe the need is being met and will have been met.

Mr. **Berman**. The thing that I guess I don't find satisfactory is that you say, well, our General Counsel said we could count the $50 million appropriation this way, when there is a very plain, unambiguous statement that accompanied the CR which indicates that that was not the way for it to be interpreted. It sounds to me like there is a different agenda than simply carrying out the congressional mandate with respect to this program.

Mr. **Hawkes**. If we had taken $50 million of new money and added it to $39 million of carry-over, we would have had an amount that exceeds any past appropriation for targeted assistance. It was my understanding that a continuing resolution meant to carry on a program at its current level and not take away money from people who were expecting it under the current level. Those expectations have been met.

Mr. **Mazzoli**. The gentleman's time has expired.

We will have one last round of questions of the panel. I would like to address part of my questions, and I will yield myself 5 minutes, to Mr. Purcell.

I would first say that the situation we face in the world is one in which a lot of the nations of the world are not doing what they should be about resettling. We saw that at least back in 1981, and we see it today. I certainly think we have nothing to be ashamed about in our resettlement program.

The specific questions asked by the gentleman from Florida will be addressed, and should be, but the whole question of dealing with people at the border is a very delicate situation which involves multi-national matters, not just simply unilateral U.S. activity.

But more to the point of something which I think this subcommittee has drummed on for some years and I think the Congress has, and that is the question of accountability of the voluntary agencies. I have been sort of fingered as using the term "Refugee, Inc." I think the fact that we have a big crowded hearing room today proves that there is such a thing as Refugee, Inc.

But, nonetheless, in your statement you referred to the GAO's most recent statement on April 16 as being in your plans to implement. On page 6 of their statement, they say that using the timeframe in which you had not been as stern about requiring consultations and accountability, it was abysmal, that just nobody reported, that they just got their money and that was the last you saw of them. When you started getting more stern, which we think perhaps coincided with our interest in the subject, the grant filings and the accountability improved. However, as of 1984, only one reporting agency, one voluntary agency, filed on time, on the due date; six reports were received within 30 days after the due date; and follow-up letters were sent to the balance. But as of February 1985, one voluntary agency had not even made a report.

First, which agency was the one that failed to make the report?

Mr. PURCELL. I don't have that information. I will have to provide that for the record.

Mr. MAZZOLI. Why would you not have the information? I mean, do you have the numbers——

Mr. PURCELL. That is just one of many thousands of details. I don't have them all in my head.

Mr. MAZZOLI. I hardly think that is a detail if they go that many months without filing a report.

Let me first ask for all those which should have filed, which one filed by the due date, which six were filed 30 days later, and which one—I assume that is the last of them—which has not reported or filed by the end of February.

[The following information was submitted after the hearing:]

DEPARTMENT OF STATE
BUREAU FOR REFUGEE PROGRAMS
RECEPTION AND PLACEMENT COOPERATIVE AGREEMENTS
REPORT RECEIPT DATES

As required under the terms and conditions of the Reception and Placement Cooperative Agreement, the following organizations submitted their semi-annual program and financial reports on or before the following dates. (The reports covered the agreement period of March 1, 1984 to September 30, 1984 and were due by December 31, 1984.)

December 31, 1984
Buddist Council for Refugee Rescue and Resettlement
Iowa Refugee Service Center

January 31, 1985
American Fund for Czechoslovak Refugees, Inc.
Church World Service
Hebrew Immigrant Aid Society
Lutheran Immigration and Refugee Service
Polish Ammerican Immigration and Relief Committee
Presiding Bishop's Fund for World Relief

February 28, 1985
American Council for Nationalities Service
Idaho International Institute, Inc.
United States Catholic Conference

March 31, 1985
International Rescue Committee
Tolstoy Foundation
World Relief Refugee Services

Mr. MAZZOLI. Let me ask you, first, do you suggest that you have the best kind of a system? Do you need more people to enforce it, more people to monitor it?

Mr. PURCELL. On the reporting side, I had our Comptroller's Office make a major push on the accuracy and timeliness of reports. We are now sending out letters and we are following up periodically.

Mr. MAZZOLI. How many are in your Comptroller's Office basically?

Mr. PURCELL. My Comptroller's Office has about five people.

Mr. MAZZOLI. Would you need two or three times that to get it right?

Mr. PURCELL. Congressman, back in 1981, I started making requests for staffing for our Bureau, which is one of the smallest in the State Department. I got the State Department and OMB to approve it, and I have had a running battle up here for about 4 years to get adequate staffing. Last year I got two.

Mr. MAZZOLI. With OMB or with us?

Mr. PURCELL. With the Congress.

Mr. MAZZOLI. With the Congress.

Mr. PURCELL. That is right.

Mr. MAZZOLI. Fine.

Mr. PURCELL. But I agree with you that the reporting is absolutely essential. We have worked with the agencies to try to be more specific in the reporting. I have met with the agencies. We are sending follow-up letters to all the non-respondents. Our objective is to get them all in on time. We have tried to make that clear.

Mr. MAZZOLI. When is the next due date for any reports? Do you have periodic reporting? We had called for quarterly reporting, but what is it now?

Mr. PURCELL. We asked for a semi-annual program and financial report. We believe that is adequate.

Mr. MAZZOLI. July, September?

Mr. PURCELL. We will have one in the early fall. Since we initiated the new agreements effective in March, we will have a subsequent 6-month report sometime during the fall.

Mr. MAZZOLI. Fall of this year, of 1985?

Mr. PURCELL. Yes.

Mr. MAZZOLI. So you will not have anything before the fall of 1985?

Mr. PURCELL. We will be getting the reports we presently have—I don't recall the specific date, but it is during the summer or fall of this year. It is a 6-month report.

Mr. MAZZOLI. I would love to have a copy of this letter that you send out to inform the people. I hope it isn't written in a routine, flowery, diplomatic language. I hope that you realize it is our money, my money, which is being used by the agencies, and sometimes socked away in large bank accounts.

[The following letter was submitted after the hearing:]

United States Department of State

Washington, D.C. 20520

SAMPLE

January 30, 1985

Ms. Christine P. Gaffney
Associate Director
American Council for Nationalities Service
20 West 40th Street
New York, New York 10018

Dear Christine:

Cooperative Agreement 1037-420034 requires that program and financial reports be submitted to the Office of Financial Management Operations, Bureau for Refugee Programs. A review of our records show that program and financial reports were due December 31, 1984.

It is important that the past due reports be submitted to my office no later than February 28, 1984. If you have any questions please contact Carol Freeman of my staff, on 202-632-1951. Your early attention to this matter will be appreciated.

Sincerely

Norman W. Runkles
Comptroller
Bureau for Refugee Programs

Mr. **Mazzoli**. Which reminds me, what ever happened to that big bank account?

Mr. **Purcell**. The reserves are all gone.

Mr. **Mazzoli**. They are all gone?

Mr. **Purcell**. They are gone.

Mr. **Mazzoli**. All gone, down to zero, no more reserves?

Mr. **Purcell**. No more reserves.

Mr. **Mazzoli**. That sounds good to me.

My time has expired.

The gentleman from California is recognized for 5 minutes.

Mr. **Lungren**. Thank you, Mr. Chairman.

Mr. Douglas, when you appeared before the Judiciary Committee last September, you indicated that you had a working group to review aspects of reception and placement grants and you would have some results sometime during the winter. Could you briefly summarize those results?

Ambassador **Douglas**. There are not a great many results. It is one of those things that got washed over by events. What we were trying to do at the time was to focus attention on the question of what and where should the R&P grant be. Should it be State, should it be HHS? For a long time I had said that it ought to be in State for reasons of stability. What I found was that there wasn't any enthusiasm within the executive branch for making a change.

Mr. **Lungren**. Is it still true, as you suggested 2 years ago, that the States—this will get you in real good standing with the States—that the States only truly become interested in the plight of the refugees when their 3-year Federal reimbursement runs out?

Ambassador **Douglas**. I probably have mellowed a bit on that for some States.

Mr. **Lungren**. As the situation states.

Ambassador **Douglas**. I think it probably has. I think we have all learned something. I don't mean to any way indicate that I am being nice. I have long since passed that point in my life.

Mr. **Lungren**. We would all, I think, submit to that statement. [Laughter.]

Ambassador **Douglas**. You have only gotten the good end of it.

Mr. **Lungren**. I understand that some refugee leaders report that while the expectant refugees are in the camps, the message comes to them loud and clear that it makes more sense if you come to the United States, from any number of standpoints, to go on welfare than to get jobs which may net you less. I imagine that, with the system we have got—we have got a large number of people that, for whatever reason, have become welfare dependent—that is the type of idea that could come via the grapevine. What are we attempting to do to disabuse them of that sense, or is there, frankly, anything we can do to disabuse them of that in terms of preparation in the camps themselves?

Ambassador **Douglas**. It never was, and certainly is not now, condoned policy that folks should encourage people in the camp to come to the United States to collect welfare.

Mr. **Lungren**. I understand that. Is there anything we can do to overcome that sort of sense? These are examples of some of the reports that we are getting from some of the refugees.

Ambassador Douglas. Sure. I think the best thing to do to overcome that sense is to make the program work to get them here, get them into jobs, and make them more successful. I think that is one of the things that has led us to be supportive of your amendment and your charming advocacy of that amendment and the whole California demonstration project. Success is the best antidote to that kind of welfare-itis.

Mr. Lungren. We have a number of pilot projects under the auspices of the Fish/Wilson amendment, and so forth. Are you satisfied that, if we go on pilot projects, that would be an alternative to the Lungren amendment? In other words, I have had people come to me very sincerely and say we can't support your amendment because it is throwing out the baby with the bath water, that we don't know what will work and what won't work, and what we ought to do is try these pilot projects for a 2-year period of time, and then we will have some basis on which to make a judgment.

Ambassador Douglas. Congressman, I don't think anything could replace the Lungren amendment. I think, however, in the world we live in——

Mr. Lungren. We will call it the Douglas amendment, how is that?

Ambassador Douglas. You will get less support.

Mr. Lungren. I know that. That is why we call it the Lungren amendment. [Laughter.]

Ambassador Douglas. The need is, however, to have an array of programs and alternatives to go forward with, not just one.

Mr. Mazzoli. The gentleman's time has expired.

Since there is 22 seconds left, I would—since the Ambassador said he is mellowing now just a little bit 4 years into his job——

Ambassador Douglas. In that respect.

Mr. Mazzoli [continuing]. I would like to read this. I think it is worth reading. This is the lead paragraph of this incredible story from the Merced County paper. "Like icy Arctic wind taking a bitter stab at spring, Ambassador Eugene Douglas," so forth and so on. I really can't believe that. Actually, what I associate you with, Gene, is the coming of spring, not an Arctic blast at spring.

Ambassador Douglas. Gosh, Mr. Chairman.

Mr. Mazzoli. Each time you show up, it is time for the crocuses and the jonquils, and so forth.

Ambassador Douglas. And the cuckoos. [Laughter.]

Mr. Mazzoli. The gentleman from New York is recognized for 5 minutes.

That is what you call florid prose.

Mr. Fish. Ambassador Douglas, we are sort of taking advantage of being halfway from our refugee consultations since the normal flow of the year starts on October 1. I wondered if you have sensed anything the last 5 or 6 months that would lead you to have some hunches about where we might expect changes in refugee movements and pressures—more people from Eastern Europe, for example, than we might have expected when we were consulting last fall?

Ambassador Douglas. Given the attention among different groups to things said by persons in nominal authority, I want to be a bit careful not to raise hopes and prejudice what I think is a very good consultation process. All of us sense that there may be some improvements coming in the Soviet Jewish exits from the Soviet Union. I certainly hope so. We may not know by the summer whether that is going to be true. If we do, we will take care of it; if not, we all have made a standing commitment on all of our part to take care of that kind of movement at any time.

I think there may be fewer Poles. I certainly hope things improve inside that country so that fewer people would have to be imprisoned and then later released.

You have heard what Jim Purcell said about the situation inside Romania. I think part of the agony that we are all going through about Romania is not just that we have a pressure on the numbers, but that the attitudes of the Romanian Government toward the people who get exit permits are unusually cruel, harsh and reprehensible. I think we have said that publicly and privately, but I feel it so strongly at the moment that I want to say so again.

In Africa, Asia, Southeast Asia, the Caribbean-Latin American area, I think we are forming a reasonable sense of where we are going. One thing that is going to influence our own hemisphere is the return of the Mariel excludables, which has satisfied a long-standing concern of this committee and the American public at large for a sense of justice. The reopening of normal migration, as well as political prisoner and immediate families coming to the United States will add a new element, and probably a fairly sizable one, that we are still trying to judge from the initial interviews of the INS the Refugee Programs Bureau in Havana.

Mr. FISH. Thank you very much, Mr. Ambassador.

Mr. Hawkes, turning to the Fish/Wilson amendment, I wonder if you could tell us how it has worked, should it be amended further perhaps to include non-time eligible groups, whatever intelligence you would care to share with us?

Mr. HAWKES. It is a little premature, Mr. Fish, to say how it has worked. The demonstrations under the authority of the amendment are just really being put in place.

The major lever that legislation gives us is that it allows us to forcefully track refugees into entry-level jobs and services concurrently, rather than have refugees languishing in the mainstream welfare program where they are unreachable. As a result, entry-level jobs are inaccessible to refugees, and services become an activity in lieu of employment.

A moment ago, the question was asked what we could do to change the mistaken impression among newly arriving refugees that they could resettle in the United States and go on welfare rather than to go work. Under the Fish amendment, you have to go to work even if you are on welfare if there is an appropriate job available. In a number of States that have large welfare populations it is the characteristics of their welfare programs which prevent us from getting refugees into jobs. The amendment gives us exactly what we need to encourage refugees to work and to be enrolled in English language training simultaneously. We have very high hopes for it. At this point, I would recommend no changes whatever. I think it is a fine piece of legislation.

Mr. FISH. Thank you.

Mr. Chairman, I think this has been a very constructive hearing. I know we have gone through a generous time limit three times. The fact of the matter is it is a reauthorization hearing on your bill, H.R. 1452. At some time, are you going to ask the principal players here to submit in writing their comments on this legislation? We really haven't gotten into it.

Mr. **Mazzoli**. That is right. I think that they did in their opening statements. They did talk about that.

Mr. **Fish**. OK.

Mr. **Mazzoli**. If it is not completely set forth in the statements, I would ask you all to respond.

I might say in that connection, there will be questions we haven't gotten to which we will send on, and we would solicit your written responses within a week or 10 days because we do want to try to wrap this up.

[See appendix 2 for questions and answers.]

Mr. **Mazzoli**. The gentleman from Florida is recognized for 5 minutes.

Mr. **McCollum**. Thank you.

Mr. Hawkes, in this bill, H.R. 1452, on page 11, line 12, the word "enter" is used to apply to compensation directed to the States and counties for costs incurred by the presence of the Marielitos. I am curious because, since many of these individuals were paroled rather than allowed to enter the country under the normal immigration process, is there any intent by the use of the word "enter" to limit the application of the compensation among this group, or was the word "enter" intended to include the parolees? I just want to make sure there is no confusion.

Mr. **Hawkes**. I think I understand what you are talking about.

Mr. **McCollum**. They are not entrants, they are parolees.

Mr. **Hawkes**. But they are people who came from Cuba or Haiti and are being currently released from Krome; is that what——

Mr. **McCollum**. Well, they are there in one way or another. They were released at one time. We said, OK, you can be here, you are paroled. But the term "entrants" has had a connotation over the years with regard to various folks who come into our country. I just want to make sure that the language in the statute doesn't box you in too much.

Mr. **Hawkes**. No.

Mr. **McCollum**. As long as we are all on the same wavelength and it includes parolees in that term "enter," then I am happy, and you ought to be happy.

Mr. **Hawkes**. I think that we had better respond to you in writing. People on humanitarian parole do not get refugee benefits.

Mr. **McCollum**. All right, we will submit a written question.

Mr. **McCollum**. I would like to jump over to Mr. Purcell on the UNHCR for a minute. Am I correct that we contribute about 35 percent of the budget of the UNHCR?

Mr. **Purcell**. Because of funding cutbacks, it has been dipping below 30 percent, but it is right at 28, 29 percent.

Mr. **McCollum**. Roughly a third of their budget, a little under now?

Mr. **Purcell**. Right.

Mr. **McCollum**. I am curious as to what office, what organization, what individual monitors for us the spending of the money, and particularly the relief efforts with regard to Central America and Southeast Asia. Is there somebody whom you designate or somebody who specifically oversees this?

Mr. **Purcell**. Within my Bureau, we are organized geographically for our overseas activities within which the UNHCR falls. I have, for instance, in Central America, a sub-unit made up of two people. They work with UNHCR to set the program. They visit the region frequently. We are often quite critical of programs and we make our views known. But we are following each regional program through our own staff.

Mr. **McCollum**. Is part of their job to make sure that the moneys are equitably distributed regardless of political affiliation?

Mr. **Purcell**. Absolutely. The key mandate of the UNHCR, it is a non-political organization.

Mr. **McCollum**. We have had complaints, as you know—and I am sure you get them from time to time—that that is not the way it is actually done in some cases.

Mr. **Purcell**. I personally made this quite an issue in Geneva with the UNHCR. I have seen some changing of attitudes there. But the point that we are making is that all groups have to be treated equitably. Generally, when we and other governments who contribute to UNHCR, when we detect such signs, we are not bashful about bringing them to the attention of UNHCR.

Mr. **McCollum**. Am I correct that the position of director or the head of the UNHCR position is going to be vacant very shortly?

Mr. **Purcell**. Mr. Hartling's present term expires at the end of December.

Mr. **McCollum**. Is there any chance that the United States will be submitting some name or person for this position?

Mr. **Purcell**. The United States, being the key donor and resettler of refugees, obviously will have a major impact on the selection of the next High Commissioner. We will either forward our own nominee or support one of the announced or other candidates.

Mr. **McCollum**. I am all for our submitting one of our own. Let's hope we do.

Mr. Hawkes, Florida still has a problem with these Marielito prisoners because there is a long time gap between the time that this program is started to return those out of Atlanta and elsewhere and when they will actually get back. Is there any provision in the present law or in what you have in the way of funds and targeted assistance that would assist our local county and State prisons in the cost of housing these prisoners for the next year or two while they are waiting to be returned?

Mr. **Hawkes**. No.

Mr. **McCollum**. Do you object to our working to try to get just a tiny little of funding to let that happen?

Mr. **Hawkes**. From whom?

Mr. **McCollum**. From somewhere in the Federal budget, that is where.

Mr. **Hawkes**. I don't think that the Office of Refugee Resettlement has any expertise at all in areas of criminal justice, and we would hope you look elsewhere.

Mr. **McCollum**. We will look somewhere.

Since 1981, Florida has requested that there be no placements in the State of Florida of refugees except for the purpose of family unification. I don't know whether to direct this to Mr. Purcell, Mr. Hawkes, or to whom, but I am just curious as to whether that is being honored or not, whether or not is anybody being placed for other than unification in the State?

Mr. **Hawkes**. We have some disagreement with the State of Florida as to whether the entire State needs to be put in that category. We believe that immediate family reunification should be the only kind of resettlement to take place in Dade County, in that area of southern Florida. However, I think that there are many areas in Florida capable of resettling refugees and, in fact, there is a very excellent voluntary agency organization in Florida that is constantly clamoring for additional refugees.

Mr. **McCollum**. How about Miami and Dade County, is it being honored with respect to that part of Florida?

Mr. **Hawkes**. Yes, it is. I think, though, there is another factor here that at least needs to be considered, and that is, under the upcoming Cuban program, even those people who are unlikely to have immediate family in Florida are probably going to have ties with political organizations and advocacy groups, and so on. It is going to be very difficult to get some of those new Cubans to resettle in Des Moines if they are activists for a free Cuba.

Mr. **McCollum**. We know all about that.

Mr. **Mazzoli**. Thank you very much. The gentleman's time has expired.

The gentleman from California is recognized for 5 minutes.

Mr. **Berman**. Thank you, Mr. Chairman.

Turning from unconstitutional impoundment to abuse executive discretion—no. The 85–15 rule.

Mr. **Hawkes**. I could take it from there, if you would let me.

[Laughter.]

Mr. **Berman**. Take in a couple of directions. One, am I right in assuming that a portion of the refugee population can consist of unemployable, and does consist of unemployable, people, people who are, by virtue of age, elderly, children, disabled, unemployable and not subject to the focus on employment-related services, and still that this is a refugee population not inflicted from the day they come into the resettlement camps with welfare-itis?

Mr. **Hawkes**. I will agree to that.

Mr. **Berman**. OK. How do you come to 85–15? I am getting a lot of concern from California againt that key program—health accessing, in-home supportive services for disabled, and people who are too old to care for themselves, things which helped to avoid some of the more expensive type of health care programs and welfare dependency—are being, in effect, wiped out because of the constraints imposed by that regulation?

Mr. **Hawkes**. As you are aware, California has a dependency rate of 85 percent, which means that of the refugee residents in California, who have been in the country 3 years or less, 85 percent are on some sort of public assistance. We thought that we had had the 85–15 requirement for a year or so. However, we found that was not being enforced in California, and we started working with the State last spring to get it enforced.

What it mainly says is that 85 percent of the social service funds, including targeted assistance funds, must be directed toward employment-related services. Fifteen percent may be used for a wide variety of social services, including title XX or services.

Mr. **Berman**. Just to interject, does the 85-percent figure come from the fact that 85 percent of the———

Mr. **Hawkes**. No. This year, California will have available on its 15-percent side something in the nature of $6.5 million. That is, California will receive about $43 million in targeted assistance and social services money. It, therefore, has about $6.5 million that it could spend on the 15-percent side for such things as health accessing.

Mr. **Berman**. How much?

Mr. **Hawkes**. About $6,450,000, actually.

The State has never spent more than a 1½ million on health accessing, so the $6 million on the 15 percent side is entirely adequate to fund health accessing if the State decides to do so. The State has instead used a good deal of their 15-percent money to support in-home support services, as you just mentioned. Those are supported with our funds regardless of how long the refugee has been in this country and without regard, as far as we are able to determine, as to whether or not the refugee has become a U.S. citizen. In fact, the State keeps no records at this point on what refugees may have become U.S. citizens.

Mr. **Berman**. Just on that, is there anything in the law that says that States shouldn't be focusing on these refugee needs after they have been here 3 years?

Mr. **Hawkes**. No; however, in the Refugee Act, the intent is to integrate people into American society to the degree they want to be integrated and do it, and to supply services to help them become resettled. If, instead, the social services money is used to provide mainstream title XX type of services, which is what California is doing, to refugees who have been in this country for 10 years, there is never going to be enough money for both time-eligible and time-expired refugees.

Mr. **Berman**. All right, but what is the State to do? You have people who are not employable, who are in need of in-home support services, (and taxpayers—Federal, State and local taxpayers—are better off with the kinds of services that are provided under in-home support services programs rather than being institutionalized) that are here by virtue of a Federal refugee and resettlement program. Where but in this kind of legislation, this kind of funding, are those services to be provided?

Mr. **Hawkes**. There are also 450,000 illegal immigrants each year and many others who are treated by mainstream social services programs in this country. The Refugee Act does not intend to say, and doesn't say, that every need that a refugee has once he or she comes here should be paid for by the Federal Government. It is allowable, but it isn't the goal or the objective of the resettlement program, and it certainly isn't what could be in any way construed to be a resettlement specific service. Mainstream social services are services we provide to all legal residents of this country. By extension we could get to the point where for anything a refugee needs, local government looks for a handout from the Federal Government.

We have had our Office of Civil Rights specifically address this issue because in many areas of the country refugees walk into a public office seeking services and are refused on the basis that the agency does not receive refugee program dollars. Subsequently, a refugee is denied that service. That can't be done. I think that with the $43 million which California has this year, if they choose to fund the health accessing services from the $6.5 million available on the 15-percent side, that should be adequate. I see it as a State decision how to spend that money.

Mr. **Mazzoli**. The gentleman's time has expired.

We thank the panel.

I would mention that, as I survey this very crowded room with very nicely attired people, I could think that only the tax bill would draw a larger crowd. That suggests to me the amount of money which is involved in this thing, turf warfare, all the things that you find in the most mundane battle over tax loopholes. I would just like to assure our panelists that they have our support in trying to run not only a compassionate program, but one which is very cost effective. Vast billions of dollars are involved in this program, and we cannot let our soft hearts get in the way of our clear minds. We have to do a good job or, as the gentleman from California has said, public support will wane for these programs, and the last state of these refugees for whom we have this laudable concern is worst than the first, and that is what we do not want.

We thank you all very much. There will be questions which, again, we would ask for your help in responding.

While the next panel, which is composed of Mr. Karl Zukerman, Mr. Edwin Silverman and Ms. Rachel Rhea, as you all gather, we will take about a 2-minute recess.

[The following prepared statements were submitted by the witnesses for the record.]

PREPARED STATEMENT OF AMBASSADOR H. EUGENE DOUGLAS, U.S. COORDINATOR FOR REFUGEE AFFAIRS

I am pleased to have this opportunity to discuss with you the reauthorization of the Refugee Act. This legislation -- enacted by the Congress in 1980 to bring improved order and public participation in national refugee policy -- is a flexible and effective law. It has clarified the definition of the term "refugee," brought the number of refugees we resettle in this country to the public for debate, and brought the three agencies that administer refugee programs into a process of more regularized consultations. It is a durable piece of legislation which may require occasional adjustment, but I believe it has worked well in light of the turbulent world refugee situation. I would like to direct my initial ccaments to the Act itself and some of the changes proposed by members of the Congress.

First, the Administration supports a two year reauthorization of the Bill. It provides a more stable management framework against which to administer the program.

Second, the Administration supports the Lungren Amendment as modified by language in the Administration's proposed Bill. This provision attempts to put renewed vigor into the sponsorship role of private voluntary agencies by confirming their full responsibility for refugees during the first 90 days in the United States. In supporting this provision, we are not asking the voluntary agencies to do anything new, but instead to work with the Federal and state governments to renew an active sustained sponsorship. It is clear to me that far too many sponsorship cases have taken on a passive character. While the reasons for this may vary, the result is the same: The refugees do not receive the sustained quality support from persons firmly established in their new community who have the resources to aid them. To the refugees themselves, many feel caught in a web of regulation and external circumstance largely beyond their control. The Administration's team is committed to a fresh effort with the voluntary agencies, states, and communities to ensure that no refugee -- individual or family -- needs to despair about his chances to reach a self-sufficient future.

It is appropriate that the original Lungren Amendment should have been authored by a member of Congress from California, because close to one half of the Indochinese refugees resettled in the United States reside in California. It is there that agressive sponsorship is much needed to help reduce the number of refugees using welfare entitlements for extended periods of time. We feel that the changes we propose alleviate some concerns and clarify responsibilities while retaining the substantive purpose of the Amendment.

Third, the Administration is opposed to the language in the Bill which grants medical assistance presumptively to entering refugees. In this time of fiscal restraints, it is important to preserve the means test in our refugee related medicaid program. We should not make exceptions for refugees when we do not make such exceptions for U.S. citizens. Mr. Purcell and Dr. Hawkes will speak about the Administration's views on the other aspects of the proposed legislation that apply directly to them.

Since this reauthorization hearing occurs at the beginning of President Reagan's second term, I feel it is a good opportunity to speak about some of the problems we have faced with refugee policy over the past several years, and what lies ahead.

Domestic Program Improvements

Congress created the Refugee Act in 1980 to deal with several refugee related matters of great concern. First, there was a perception that the relationship between international and domestic concerns was being ignored in determining refugee admissions into the United States. Some felt that we were admitting masses of refugees principally for foreign policy reasons without taking into account the availability of domestic resources to ensure effective resettlement in the United States. Particular concerns were expressed on the use of welfare entitlements by refugees, the special health problems of refugees, and the impact on local community services by refugees not adequately prepared for life in the United States.

While we have made progress in dealing with some of these problems, a great deal needs to be done, and we need to move decisively. On the health side, we have improved the health screening of Indochinese refugees coming into the United States, so that the presence of communicable diseases in this population is not a significant problem. This is due to increased attention by the Department of Health and Human Services through the Public Health Service and the Centers for Disease Control. There are still occasional problems of varying degrees of seriousness in the health care of U.S. bound refugees, but they are being dealt with.

In the crucial areas of language training and cultural orientation for Southeast Asians prior to their arrival in the United States, we need to keep a steady eye on our English language and cultural orientation programs. Despite the reports from resettlement sites that refugees are better prepared for resettlement than in prior years, there is always room for improvement. The profile of U.S. bound refugees changes over time. Their needs change. Lessons are learned from our experiences in the American communities where refugees come to live.

In light of the shortcomings in the English language competency of some newly arriving refugees -- and the tougher problem of reaching refugees who have been in the United States for a long time with practical and affordable instruction -- I think it is fair to say that we are not achieving all of the results we had hoped to see years after implementation of the ESL/CO program. With the advantage of hindsight, we could have done several things differently. For the future, I think we will try to draw more on the practical advice of the Department of Education and other key persons out in the states in order to strengthen the bond between instruction overseas and the realities of the receiving communities. In addition, there is a pressing need for a new kind of cooperation between the Mutual Assistance Associations (MAA) and the voluntary agencies and individual volunteers in reaching the slow learners and time expired refugee population. We do not need fancy new Federal programs. We do need a large dose of Yankee ingenuity and renewed determination to help the refugees speak rudimentary English. I know we can do it.

In the area of continuing sponsorship support for refugees once they arrive in the United States, our national efforts still fall short of the mark. It is just as imperative for the Government to hold the sponsoring agencies to their agreement to actively and agressively support refugees newly arrived in this country as it is for these agencies to hold the Government to account for its protection of, say, first asylum. We need a renewed, general consensus, and self-motivation among sponsors and agencies. Working with the Congress, we believe improvements can be achieved in this area.

Interagency Coordination

One of the original reasons for creating the Refugee Act by the Congress was the perception that foreign policy considerations dominated domestic agencies in deciding refugee policy. This situation has changed. In fact, an independent refugee policy group recently criticized refugee policy under this Administration as favoring domestic over foreign policy considerations. I think we have struck a balance. We have indeed made a deliberate effort to tie foreign policy to domestic considerations through the consultative process as mandated by this Act.

At my request, the President has established a Senior Interagency Group for Refugee Policy (SIG/RP) to serve as a coordinating mechanism for all Federal agencies involved in refugee policy. The SIG/RP has improved the refugee admissions process by coordinating the views of the Federal agencies involved in recommending refugee admissions numbers to Congress for the past two fiscal years. Last year, for the first time, we held a session open to the voluntary agencies and other interested groups. We will do so again this year.

I would like to mention one more project in the area of interagency coordination. For many years, the three Government agencies involved in refugee programs have used different systems to keep track of refugees entering the United States. As a result, reports by the three departments of how many refugees are entering the United States often differ. I added a Senior Systems Analyst to the Coordinator's staff, and through his efforts we are establishing a standard for all refugee processing posts so that the U.S. Government will have one, consistent reporting system for U.S. bound refugees.

International Perspective

On the international side, we have made progress in resolving a few more of the difficult bilateral problems of the past several years.

In February 1985 we saw the beginning of a resolution of a long standing issue, as the first plane load of Mariel excludables was sent back to Havana under an agreement recently negotiated between the Governments of the United States and Cuba. At the same time, the United States resumed a normal migration program and reinstituted the processing of political refugees for entry into the United States.

We have also solved a problem of very special humanitarian concern to this Administration and the Congress by improving the Orderly Departure Program (ODP) whereby Amerasian children and others from Vietnam can come to the United States. And we are supporting efforts to move to safety the Bahai and other Iranian refugees who are victims of persecution under the current Tehran Government. The care and protection of refugees and displaced persons in Central America continue to receive increasing attention.

We have pushed for reform in the international organizations which play an important part in the care and protection of refugees worldwide. The State Department has pressed for management reforms from the UN High Commission for Refugees (UNHCR), and a management review from the UN Relief and Works Agency for Palestine Refugees (UNRWA). There is always room for more improvement among multilateral organizations, however, especially in emergency management situations such as the Sudan. I have the hope that the UNHCR will respond positively to efforts from this country not only for more effective management, but that they will also take a strong lead in movement toward more durable solutions to the plight of refugees around the world.

As a corollary to our work with the UNHCR and other international refugee organizations, I think there is a need for periodic, informal meetings between the major refugee resettlement and donor countries. With this in mind several years ago, I established the Consultative Group on Indochinese refugees. Membership currently consists of the United States, Canada, Australia and Japan -- with the UNHCR as an observer. The most recent meeting was in Geneva in January of this year. My colleagues in the Administration and our overseas friends have found this forum an effective means of not only exchanging views, but of discussing possible solutions to some of the complicated issues we face. The Consultative Group is presently considering expanding its membership to include other donor and resettlement countries, and another meeting is tentatively scheduled for May.

Future Domestic Program Concerns

In the year ahead, our attention will be directed toward improvements in the quality and scope of sponsorship, strengthening the refugee MAA's, and solutions to refugee use of entitlement programs. We need to find practical new ways to reach the large numbers of refugees who have been with us more than three years, but who still lack rudimentary English. The answer is not dependent on money, but innovation and determination. There are other things affecting refugee resettlement which are also important. Chief among them is the working of the U.S. economy as a whole. A strong, vibrant U.S. economy has been, and always will be, the best future we can offer to refugees coming to this country.

There is one more question which I believe will continue to plague us through this century. It is pressure from those who, however justifiably, have economic motives as their chief reason for seeking entrance into this country. It is very important that we continue to reserve refugee status for those most in need of humanitarian assistance, i.e., those who can demonstrate actual persecution or fear of persecution because of political, ethnic or religious activities.

Areas of Future International Concern

On the international side, we must face the fact that there is a decline -- both verbally and concretely in term of actual numbers -- in the commitment of major donor and resettlement countries to internationalize the refugee resettlement burden.

This should not cause us to lose sight of the fact, however, that the core of the problem is not the resettlement and donor countries, whose policies have been very generous towards refugees over the years. The core of the problem is the intractability of governments who generate refugees. At last year's Consultation, Secretary Shultz announced that we would be willing to take under the U.S. refugee ceiling 10,00 Vietnamese political prisoners and close family members -- a group of special humanitarian concern to the United States -- during the next two years. Because the Vietnamese have yet to make a serious response, I regret that I cannot report any significant progress to you on this initiative.

Problems will continue with maintaining the commitment of those countries in the world granting first asylum to refugees whose departure may not be imminent. It is important that we re-emphasize that resettlement abroad to a third country, culturally distinct from that of the refugee in question, has been and should be the last option considered -- not the first. We must remind ourselves that it is in the best interest of refugees to make third country resettlement the exception rather than the rule and not forget to pay attention to the root causes of refugees.

Ten years after the fall of Saigon, when we have resettled nearly three quarters of a million Indochinese in this country and an almost equal number in other countries, there are still twelve million refugees driven from their homes in the world. Their best hope for the future is not transportation to a distant country, but a restoration of freedom in their native lands -- the lack of which is the single largest factor creating refugees in the world today.

PREPARED STATEMENT OF JAMES N. PURCELL, JR., DIRECTOR BUREAU FOR REFUGEE PROGRAMS, DEPARTMENT OF STATE

I welcome this opportunity to appear before you today as the Department of State's witness to testify on behalf of the Administration's proposed bill, which, upon enactment, would be cited as the "Refugee Assistance Amendments of 1985" and to provide you with the Department of State's views on H.R. 1452, entitled "The Refugee Assistance and Extension Act of 1985". Before I address the questions of most immediate concern to this committee, I would like briefly to review recent developments in the world refugee situation and actions by the United States to deal with these developments.

The primary refugee problems facing the world today are concentrated in three general locations: In Sub-Saharan Africa, where drought and armed conflict have caused wide-spread suffering; in Pakistan, where Afghans have sought asylum from the Soviet invasion of their homeland; and in Southeast Asia, where refugees continue to flee the communist-ruled Indochinese states.

By international definition, refugees are those fleeing [redacted] persecution and oppression in their homelands.

In Africa, however, the dividing line has been blurred between those fleeing persecution and those displaced across national boundaries by famine and armed conflict. The U.N. High Commissioner for Refugees has declared, for instance, that all those crossing the border from Ethiopia into eastern Sudan and Somalia are "persons of concern to the High Commissioner" and will be given assistance. The first priority of international refugee assistance organizations and of the United States refugee program must be the preservation of human life.

By his personal presence in Sudan, Mali and Niger this past month, Vice President Bush demonstrated this nation's commitment to aiding refugees and drought victims in this tormented area, where war and famine have combined to create conditions bordering on the catastrophic. Many agencies of the United States Government have been working together in support of the international assistance effort. The Bureau for Refugee Programs has worked alongside the Agency for International Development, the Centers for Disease Control, the Department of Defense, the U.S. Public Health Service and dedicated professionals from private voluntary organizations to mount an emergency relief effort in the Sudan for over 320,000 new refugees. On the international side, the various U.N.

agencies, after a somewhat slow and disorganized start, have come together under the leadership of the U.N. Office of Emergency Operations for Africa headed by Bradford Morse, to concentrate on the longer-term needs of the African nations suffering from drought and famine.

The situation in Africa demonstrates quite graphically the fact that the refugee problem in the world today requires that we provide enhanced relief and assistance rather than large numbers of admissions. In Africa, the long tradition of providing refuge to persons fleeing famine and war in neighboring countries has been put to a severe test. In the Sudan, approximately one million refugees from neighboring countries are being hosted despite the fact that over four million Sudanese are themselves severely threatened by the drought. The rural populations of Africa do not seek resettlement outside their own area and are most in need of relief and assistance pending a return to their countries of origin.

Similarly, over three million Afghan refugees in Pakistan and Iran need assistance, not resettlement. This vast refugee population -- virtually one-quarter of the pre-1979 population of Afghanistan -- poses difficult questions for the long-term which we have only begun to address. With few exceptions, these are tribal peoples who have no desire to resettle outside the area. They want nothing more than to return to their homes in Afghanistan, as soon as they can safely do so.

Of more immediate relevance to this committee's work is the continuing refugee problem in Southeast Asia, which has been met primarily through third country resettlement, much of it to the United States. While we are making steady progress on reducing first asylum populations throughout the region, we should not delude ourselves into imagining that we have within our grasp a simple solution to the continuing outflow from the Indochinese states. The recent upturn in arrivals from Laos and the influx of 250,000 Khmer from the border, have put increased pressure on Thailand. The United States is supporting international efforts to deal with these urgent situations.

Despite these problems, our goal remains, consistent with our humanitarian obligations, the achievement of a continuing reduction in this portion of our worldwide refugee admissions program. We hope to achieve a "steady state" admissions level that is as low as possible. We should recognize, however, that for the foreseeable future we will need to continue to admit a reasonable number of Indochinese refugees to the United States, both because it is our humanitarian duty to do so and because it is in our strategic interest to relieve the pressures that refugee populations place on friendly first asylum states in the region.

Last September, Secretary Shultz announced before this committee the President's initiatives for expanding our portion of the UNHCR's Orderly Departure Program from Vietnam (ODP) to include additional cases of priority concern to the United States. This expansion is to be accomplished through the inclusion of more Amerasians in the program -- we are currently projecting 4,000 to 5,000 Amerasian departures in FY 1985 -- and through the inclusion of 10,000 released re-education camp inmates and close family members in FY 1985 and FY 1986.

The Amerasian program has brought out over 1,500 Amerasian children and accompanying family members during the first six months of FY 1985: an average of 263 per month compared to 182 per month in FY 1984, and we are hopeful that this improvement will continue during the second half of the fiscal year. Since its inauguration, the Orderly Departure Program has brought over 5,000 Amerasians and their families to the United States. We can only estimate how many more remain in Vietnam -- perhaps 10,000 to 15,000 -- but I wish to reaffirm the President's commitment to take them all over the next three years, as announced by Secretary Shultz last September.

Unfortunately, despite our repeated good-faith efforts to continue negotiations with the Vietnamese authorities on the release of the political prisoners being held in the so-called re-education camps in Vietnam, there has been no real progress by the Vietnamese. Since the U.S.-Vietnamese bilateral meeting in Geneva on October 4, 1984, when we formally presented the President's proposal, the United States has proposed twice to the Vietnamese that we resume negotiations on the prisoners' release and resettlement.

In answer to our first proposal to meet in January, the Vietnamese responded that the proposed dates were not considered appropriate, but repeated their readiness to continue discussions on this question with the American government. At the same time, however, they falsely accused the United States of intending to use the resettled prisoners in hostile activities against Vietnam.

In our response to the Vietnamese we denied categorically their false accusations, but noted their stated willingness to continue negotiations and proposed a meeting in February. The Vietnamese have not responded to this most recent U.S. proposal.

Notwithstanding this unresponsive Vietnamese attitude, the United States remains firmly committed to obtaining the release from prison and resettlement to the United States of these prisoners and their families. We will continue to work for the early release of the re-education camp prisoners, and we continue to hope that Hanoi is serious in its expressed interest in pursuing this matter with us. We will keep the Congress informed of developments in this area.

I turn now to the issues of domestic resettlement, which are of particular concern to the committee today.

In the ten years since the fall of Saigon, over 735,000 refugees from Vietnam, Cambodia and Laos have found new lives and new hope for the future of their children in the United States. In light of the unusually difficult circumstances of the Indochinese migration, including the sheer numbers involved and the considerable cultural barriers facing groups such as the Hmong, Thai Dam and Khmer, the results have been remarkable..., in some cases, even extraordinary. Among the many success stories one could cite is that of the West Point cadet, Jean Nguyen -- introduced to the nation by President Reagan during the State of the Union Address -- who will be graduated from the Academy less than 10 years after her family fled Vietnam. In addition there are the numerous Indochinese high school valedictorians we read about each graduation season. Indochinese refugee communities across the nation are revitalizing aging inner-city areas through hard work and investment in small commercial enterprises.

A major obstacle to refugee self-sufficiency, and the overall success of the resettlement effort, has been the high benefit structure of the welfare system in some states. In addition, in the early years of the program, voluntary agencies providing initial reception and placement services to the refugees were not given adequate guidance as to what exactly the federal government expected of them.

Since adoption of the legislative amendments of 1982 affecting the Reception and Placement program, our management of this program has been strengthened considerably. Initiatives by the Bureau for Refugee Programs have included: a revised cooperative agreement which provides far greater programmatic and financial specificity; greater oversight by the Bureau of initial placement determinations; and, establishment of an active, on-site monitoring program. In addition, recent GAO and Department of State Inspector General recommendations have been incorporated into our management practices.

Since 1982, the Bureau for Refugee Programs has systematically monitored service delivery by voluntary agencies. These in-depth inspections of local affiliates have proven to be of great value in helping the national voluntary agencies to improve the management of their reception and placement programs. I have a statistical summary of the twenty on-site monitoring reviews undertaken to date which I will be pleased to submit for the record.

One conclusion which emerges from a comparative review of refugee resettlement in different states and regions is that refugees do not have to become dependent on welfare. Demonstration projects in Arizona, Oregon and Chicago are seeking to break the cycle of welfare dependency through innovative resettlement plans aimed at placing refugees in jobs as soon after their arrival as possible. The "Chicago Project", funded by the Bureau for Refugee Programs, was an initiative of the local voluntary agencies. All of these projects, however, depend on close cooperation between the public sector and the voluntary agencies. California, which has the nation's highest refugee welfare dependency rate, is about to embark on a three year program which alters some basic public assistance program components in an effort to tailor public assistance to the particular needs of refugees. In all cases, locally developed solutions to local problems are proving to be most appropriate, a fact which the Congress recognized in its passage last year of the "Wilson-Fish Amendment", which authorizes HHS/ORR to fund resettlement demonstration projects tailored to particular states and localities.

If these developments are a source for optimism in attacking the welfare phenomenon on a state-specific level, there remains the need to address our national mechanism for bringing refugees through the critical transition period of their first months in the United States. The strength of our national system lies in the involvement of private agencies and individuals in the sponsorship and support of refugees seeking to establish new lives as Americans. Consequently, it is the shared view of both the Congress and the Administration that we should build on this strength by enhancing and making more explicit the responsibilities of the voluntary agencies and by ensuring an appropriate mix of federal and private resources to make their resettlement efforts effective.

It is from this general perspective that the Congress and the Administration both are now seeking, through legislation, to address the specific problem of initial high welfare dependency among refugees.

It is apparent that most incoming refugees require support and assistance during the early phases of their assimilation into American society. Once on welfare, many refugees tend to become dependent on continued public support for long periods of time. Disincentives to early self-sufficiency are created. The voluntary agencies, who assist refugees in the early phases of their introduction to our society, report that the draw of public assistance thwarts their efforts to promote refugee social and cultural assimilation through early entry into the work force. The objective of both the Congress and the Administration has been to provide workable alternatives to early access to public welfare assistance and, instead, to rely as much as possible on the private voluntary agencies to direct refugees to early employment.

Consequently, the Administration has supported since its introduction more than a year ago, the initiative of the House Judiciary Committee to channel needed assistance for the first 90-day period through private voluntary agencies rather than through existing welfare mechanisms (Section 4 of HR 1452, known as the Lungren Amendment). However, in the proposed Administration bill, we have offered modified language directed at ensuring that the legislation will be both effective and workable. In particular, the amendment in HR 1452 does not address the question of the eligibility of a refugee for public assistance during the 90-day period of voluntary agency support. Thus, the Administration bill couples the provision of enhanced voluntary agency responsibility with a 90-day bar to public cash assistance.

Concerning voluntary agency responsibility, the Administration bill eliminates some of the operational concerns expressed by voluntary agencies during previous consideration of the "Lungren Amendment". The three principal differences between the Administration bill and HR 1452 are: deletion of the term "legal responsibility"; recognition of in-kind contributions to refugee support; and, the separation of cash and medical assistance (allowing refugees to receive Medicaid coverage without concurrent receipt of cash support payments). I ask for the committee's support for this bill in the firm belief that its enactment will most effectively achieve our common goal of early refugee self-sufficiency.

This concludes my prepared remarks. I would be happy to answer your questions.

Doc. 0484C

Prepared Statement of Phillip N. Hawkes, Director, Office of Refugee Resettlement

Mr. Chairman, members of the subcommittee, I am pleased to have the opportunity to appear before you today to discuss the reauthorization of title IV of the Immigration and Nationality Act. The Administration supports extension of this legislation.

Specifically, my comments will address the major provisions contained in H.R. 1452, the "Refugee Assistance Extension Act of 1985," which is currently pending before this subcommittee. I am here to establish the Department's support for a number of the bill's provisions and to express concern for certain provisions to which we take serious exception.

We support the provision that would require voluntary resettlement agencies to assume greater responsibility for meeting the basic needs of refugees, such as food, clothing, shelter, and transportation, during their first 90 days in this country. Demonstrative of this support, the President's Budget for FY 1986 requests that funds for this purpose, which would otherwise be included in this Department's budget, be appropriated to the Department of State in order to enable the resettlement agencies to carry out this responsibility.

We see the underlying intent of this provision to be to strengthen the capacity of resettlement agencies to meet the critical needs of refugees immediately following their arrival to this country; to provide for their needs in a manner independent of the traditional welfare structure; and to more effectively assist refugees in obtaining employment at the earliest possible date. I am aware that members of this subcommittee and others involved in the refugee program are all too familiar with the difficulties associated with frequent and prolonged use of public assistance by refugees. Perceptions and attitudes towards work in America are shaped early on in the resettlement process. This is why the first 90 days of a refugee's resettlement in the United States is critical in determining whether or not a refugee will be able to achieve economic self-sufficiency in a relatively short period. A recent study conducted by a resettlement agency found that refugees it sampled who remained unemployed beyond four to six months after arrival lost the motivation to find work and, as a result, became extremely discouraged.

While supporting this provision, I believe that it needs to be strengthened in order to achieve the positive outcomes envisioned by members of this subcommittee:

First, we propose that language be included which would make clear that refugees are ineligible for assistance under the programs of aid to families with dependent children (AFDC) and refugee cash assistance (RCA) during their first 90 days in the United States. This is to ensure that duplicative assistance is not provided both through the voluntary and public sectors. It should also be made clear that this proposal would not apply to a refugee's eligibility for Medicaid or refugee medical assistance.

Second, we believe that language should be inserted to clarify that the existing effective system for the custody and care of unaccompanied minors would not be affected by this provision.

We continue to oppose the inclusion of language specifically authorizing the targeted assistance program. Such language is not needed, and we believe that it would increase the potential for a longer term institutionalization of a temporary program that was designed to respond to the large flow of Cuban and Haitian entrants in 1980 and the large flows of refugees during 1980-1982. Currently available funding will enable the existing targeted assistance projects to be carried out at least through the first half of FY 1986 and in a number of areas throughout all of FY 1986. We have requested no additional funds for targeted assistance in our FY 1986 budget, and with the greatly reduced refugee flows of the last few years we feel that it would be inadvisable to formally authorize this program at the point at which the need for additional funding has passed. Authority exists under current law to fund such a program if there is a need for it in the future.

Consistent with the position we have taken in previous years, we also oppose the provision which would disregard need or economic circumstances as conditions for determining eligibility under refugee medical assistance and the Medicaid program. We fail to see the justification in giving refugees preferential treatment not available to the general public and believe that inequitable eligibility could undermine community support for refugee programs in general.

We support the denial of cash assistance to refugees who refuse to participate in employment-related activities or social service programs determined to be appropriate in assisting them in becoming self-sufficient. We are concerned, however, as to the extent to which Congress chooses to define the entities permitted to impose such sanctions. We would suggest that the appropriate entity for making such decisions is the welfare agency administering the refugee cash assistance program under which benefits will be denied.

With respect to the organizational changes contained in the proposed reauthorization, let me go on record as opposing any suggestion to move the Office of Refugee Resettlement from the Social Security Administration to the Office of the Secretary and, as also proposed, to transfer primary responsibility for refugee educational assistance to the Department of Education.

I am more than satisfied with the level of support that ORR has consistently received from the Office of the SSA Commissioner in addition to the relationships that we have developed with other SSA offices, such as the Office of Family Assistance. These relationships have already complemented our efforts to establish new program initiatives such as the welfare alternative demonstration projects which we are currently considering in conjunction with interested States.

With respect to educational assistance, although the President's budget for FY 1986 does not request funds for this activity, we believe that the overall responsibility for refugee educational assistance should remain with the Office of Refugee Resettlement, reflecting the intent of the Refugee Act that this office serve as the focal point for domestic assistance and services to refugees.

We urge the adoption of a single authorization for FY 1986 ($316,587,000), and such sums as may be necessary for the following year. In its last three budgets, the Administration has proposed a single amount for refugee and entrant assistance. A single authorization permits maximum responsiveness and flexibility in administering the refugee program.

We were especially pleased that Congress included language in the FY 1985 continuing resolution (Public Law 98-473) which gives the Secretary of Health and Human Services the authority to approve and fund alternative social services, cash, and medical assistance demonstration projects that can be more effective in preventing or reducing refugee dependency on public assistance programs. This provision, of course, originated in the Refugee Act reauthorization passed by the House last year.

Its enactment offers new hope and opportunity for both the public and voluntary sectors to develop effective program interventions, especially in States which have extraordinary numbers of refugees on public assistance. We believe that the needs of refugees are transitional and can differ significantly from the needs of those whom the welfare system is basically structured to serve. Therefore, ORR has been and will continue to consider alternatives to the current system of refugee assistance.

A notice of proposed funding for demonstration projects which test alternative approaches to the provision of assistance and services to refugees was published for comment in the Federal Register on February 20, 1985. We expect a final notice to be published shortly. To date, the States of California and Oregon have formally approached ORR regarding their interest in conducting demonstration projects. We expect more States to follow suit. On May 7 and 8, this Office has arranged for refugee program coordinators representing States with unusually large numbers of refugees and high welfare dependency rates to convene in Washington, D.C. to discuss the opportunities for developing demonstration projects under the authority of the Wilson/Fish amendment.

The major challenge confronting this Office in administering the refugee resettlement program continues to be twofold: (1) To increase refugee self-sufficiency and (2) to reduce the number of refugees dependent upon public assistance. There are refugee resettlement programs in 49 of the 50 States. A majority of these States are quite successful in their efforts to enable refugees to achieve early employment and to avoid long-term dependency.

This success is offset, however, by the fact that there are a few States with large refugee populations, the majority of whom are dependent upon public assistance. For example, California has approximately 40% of the Nation's total refugee population. It also has 34% of the Nation's "time-eligible" refugee population -- i.e., refugees who have been in this country three years or less -- and in FY 1984 accounted for 45% of refugee program costs. The current dependency rate among time-eligible refugees in California is approximately 85%, a slight decrease from the year before. The national average, if you exclude California's dependency rate, is about 37%. When you factor in California's dependency rate, the national average increases to approximately 54%.

As a Nation we have made a tremendous moral, financial, and humanitarian commitment to our refugee friends. The Refugee Act of 1980 and the Refugee Assistance Amendments of 1982 have provided us with the necessary vehicle with which we have been able to make progress in meeting that commitment. In the next few years, we must continue to build on our accomplishments and further strengthen the refugee program.

We believe that the Refugee Act is a strong, humane, and important piece of legislation which should be reauthorized. The legislation permits us to continue the great tradition upon which this Nation is based -- the tradition that allows persecuted peoples to find refuge here and start their lives anew.

I thank you for the opportunity to address the subcommittee. I will be pleased to respond to any questions that you may have.

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

APR 16 1985

The Honorable Peter W. Rodino, Jr.
Chairman
Committee on the Judiciary
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

There is currently pending before your Committee H.R. 1452, the "Refugee Assistance Extension Act of 1985". The bill contains several provisions which we strongly support and others about which we have serious concern. The Department's positions on the bill's major provisions are set out below.

Responsibility of resettlement agencies for first 90 days (section 4):

We strongly support the provision that would require the resettlement agencies to meet the basic needs of the refugees whom they resettle for food, clothing, shelter, and transportation for job interviews and for training during each refugee's first 90 days in the United States. The President's Budget for FY 1986 has anticipated such a policy by requesting that $17 million be appropriated to the Department of State rather than to this Department.

However, this provision needs to be strengthened in order to assure that a refugee does not receive duplicative assistance from both a sponsoring resettlement agency and a public welfare agency. Such simultaneous receipt of aid would be unnecessarily costly and would not reduce refugee dependency.

In order to assure that duplicative assistance is not received, we propose that the bill be strengthened by providing that refugees be ineligible for assistance under the programs of aid to families with dependent children (AFDC) and refugee cash assistance (RCA) during their first 90 days in the United States. In the absence of such a provision, refugees could be simultaneously eligible for AFDC in States which have elected not to count in-kind contributions from nonprofit agencies, as permitted by section 402(a)(36) of the Social Security Act.

To avoid this occurrence, we recommend that you adopt, in this bill, language providing for a 90-day exclusion from AFDC and RCA eligibility (but not from Medicaid or refugee medical assistance eligibility) similar to the language now included in section 412(e)(7) of the Immigration and Nationality Act. Section 412(e)(7), which was enacted as part of the Continuing Resolution for FY 1985 (P.L. 98-473), requires the exclusion from public assistance eligibility of refugees who are included under alternative projects authorized by that section.

Placement of Office of Refugee Resettlement in the Office of the Secretary (section 3(a)):

We oppose this provision for three reasons: (1) We believe that the organizational location of programs within the Department can best be determined by the Department, taking into consideration a wide range of factors which bear on the effective operation of the Department and its programs; (2) it would place an operating program in the Office of the Secretary, contrary to the organizational structure and functioning of this Department; and (3) it would disrupt an ongoing, established organizational arrangement which is functioning effectively.

The Office of Refugee Resettlement (ORR) is located in the Social Security Administration (SSA), reports directly to the Commissioner, and has access to the Secretary. In recognition of the importance of this program and the need to respond quickly to changing events, the Director of ORR also has a direct reporting relationship to the Under Secretary.

When compared to many of the Department's programs, the scope of the refugee program is limited. The refugee population is small, the period during which ORR has its principal contact with the refugees is short (three years), and the number of mechanisms for providing assistance is limited.

From a management perspective, it is inefficient for the Department to operate with too many free-standing administrative units. The amendment would necessitate the establishment of duplicative administrative, budgetary, fiscal, personnel, and other support services that have been provided over the past few years by SSA.

Authorization of targeted assistance project grants (section 5):

This provision is unnecessary because targeted assistance is allowable under current law.

We oppose any specific language authorizing funds for targeted assistance because it is no longer needed and such language raises an expectation of permanent funding of what should be a temporary program. The need for targeted assistance arose from the very large numbers of refugees and Cuban and Haitian entrants who reached the United States principally during FY 1980-1982. Those needs have been addressed with funds previously appropriated under existing law, and no further funding for this purpose is currently needed or requested in the President's Budget.

The existing law provides the necessary authority for future targeted assistance funding if the need should arise.

Transfer of the refugee educational assistance program to the Department of Education (section 3(b)):

While the President's Budget for FY 1986 does not request funds for this activity, we consider this provision to be undesirable. We believe that the intent, embodied in the Refugee Act of 1980, of creating the Office of Refugee Resettlement as a focal point for domestic assistance and services was correct and should be continued.

Cash and medical assistance (section 6):

We oppose the provision that mandates the eligibility for medical assistance of all refugees for the first year after entry regardless of need or economic circumstances. We are aware that the separation of eligibility for cash and medical assistance has been advocated by some as an inducement to early employment. However, that case has not been documented, nor has any showing been made that the benefits would exceed or even equal the increased assistance costs. Further, consideration must be given to the fact that medical assistance is not available to the general population on this broad basis, and such inequitable eligibility could undermine community support for refugee programs in general.

We also oppose including non-needy refugees in the Medicaid program. While recognizing that the authority is permissive, we think the precedent is extremely undesirable. In order that Medicaid retain its ability to serve the needy, it is essential that there be a clear delineation of the population eligible for services. Inclusion of unrelated groups must inevitably impede States' capacity to serve those for whom the program was originally designed.

Finally, the Administration supports the imposition of penalties, in the form of denial of cash assistance for specified periods of time, for refusing to participate in appropriate employment, employment-related activities, or social services programs. However, we are concerned with the authority that would be given to the voluntary agencies to determine that an activity or program in which a refugee has refused to participate is appropriate to his circumstances. The authority to sanction a refugee by causing publicly funded cash assistance to be denied for significant time periods should not be placed with these private entities. We would recommend that the determination be made by the welfare agency (i.e., the agency administering the cash assistance program under which benefits will be denied). Provision could also be made for recommendations from or consultation with the voluntary agency or the local employment service in cases where the agency or employment service has been involved. This would also serve to clarify that the administrative hearing required by the bill would be furnished by the public agency. Finally, consideration should be given to the inclusion of a good cause exception, so that some measure of flexibility is available to deal with the unusual case.

Authorization of appropriations (section 2):

We urge the adoption of a single authorization for FY 1986 and such sums as may be necessary for the following year. In its last three budgets, the Administration has proposed a single amount for refugee and entrant assistance. Given the uncertainty of refugee admissions and unexpected costs arising from secondary migration, a single authorization permits maximum responsiveness and flexibility in administering the refugee program.

Therefore, we would support enactment of the provisions discussed herein, with appropriate amendments in accordance with our above-stated views. We defer to the Departments of State and Justice on other provisions of the bill which will fall within their responsibility.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Margaret M Heckler

Secretary

Mr. **Mazzoli**. The subcommittee will be in order.

Mr. Zukerman, Mr. Silverman and Ms. Rhea.

Mr. Zukerman, you may proceed.

TESTIMONY OF KARL ZUKERMAN, CHAIRMAN, COMMITTEE ON MIGRATION AND REFUGEE AFFAIRS, INTERACTION, AND EXECUTIVE VICE PRESIDENT, HIAS; EDWIN SILVERMAN, PROGRAM MANAGER, ILLINOIS REFUGEE RESETTLEMENT PROGRAM; AND RACHEL RHEA, LEGISLATIVE COORDINATOR FOR INTERGOVERNMENTAL RELATIONS, SANTA CLARA COUNTY, CA

Mr. **Zukerman**. Thank you, Mr. Chairman. We thank you for the opportunity to be heard.

Let me begin by saying we support the 2-year reauthorization of the Refugee Act. We have submitted copies of our written testimony, which I hope will be placed in the record, and I will speak briefly about them only to highlight the main points, and will welcome whatever questions you have.

I want to begin by endorsing the coordinator's opening comments. We share his views on the subjects about which he spoke.

I also wish to thank you for your opening remarks, because I think they reflect our perception as well, namely that we are doing overall a pretty good job, though there is room for improvement in various places and among all the various actors in the system, the Federal Government, the State and local governments and ourselves. We are ready to work even harder on dealing with those problems.

We think that there are two key problems. We in the voluntary sector are looked at as the key instrumentality; the focal point for the work in reception, placement and resettlement. We think that we are the right place to be looked at that way. Our problem is that we don't have the authority to fulfill that role entirely. We have lots of responsibilities, which we welcome, but we don't have the authority.

There are two key functions involved here: One is the management of interim transitional cash assistance programs, whether they are public or private. We think that there are some alternatives to the public system that is now operating in places where it isn't working well. In many States, it is working rather well.

In addition, we think the basic functions involved in case work, which in recent years has come to be labeled case management, need to be placed with us. We see three components in that: one, the responsibility from even before the day of arrival of planning with the refugee and the receiving family here for the resettlement and early employment of that refugee; second, being responsible for coordinating the implementation of that plan; and third—and this is the area about which there is some complexity—being in a position to assure that all the various actors who can impact on the resettlement plan are cooperating with that plan. So, for example, there are English programs in the evening, and not just the daytime, so that, when a refugee needs to get into a particular kind of a program in an evening, there is one available.

We don't have the authority to command that, nor do I think it is likely that we will be given it in some command kind of way.

But I think that if we are to have the responsibility for planning and coordinating the implementation of the resettlement plan, we need to have some basis to make sure that others don't impact negatively on it.

We think that the Wilson/Fish amendment provides sufficient legislative authority to test in a major way—I don't mean minor little pilot projects, I mean major ways—the alternative mechanisms that we think are necessary. We are now actively involved in developing proposals.

We hope, since the funding will come from public assistance funds already appropriated, that ORR will see fit to endorse and approve a wide variety of different tests of a major sort which will have two key characteristics at least. One, they ought to deal with interim cash assistance mechanisms alternative to the public welfare systems where the public welfare systems are the principal obstacle to early refugee self-sufficiency. And second, they ought to have this key effective case management responsibility and authority placed in the sponsoring voluntary agency where it belongs, if we are to carry out the responsibilities we think we should have.

We think it is unnecessary and probably counterproductive at this time to do any further legislating with respect to eligibility for public assistance. We think that we can address the problem and find out what works and what doesn't work. I don't think it will take us 2 years to know that. I think we will begin to show results rather dramatically if the mechanisms that I have described are given to us.

We do think that the case management role would be enhanced by the Congress assigning to us the responsibility for developing, coordinating and monitoring a resettlement plan for each refugee. That would be enormously helpful in our work. We think that with this combination, we can make significant and dramatic improvements is the already generally good program we have, and we can target them for areas where they need the work.

Thank you, Mr. Chairman.

Mr. MAZZOLI. Thank you very much, Mr. Zukerman. I appreciate very much, despite all this chaos here, you managed to keep within the 5 minutes. We appreciate it.

Am I correct that you obviously do support the Fish amendment, and you are not quite sure about the Lungren amendment?

Mr. ZUKERMAN. We are quite sure about the Lungren amendment.

Mr. MAZZOLI. But you do believe that with the proper kind of authority to manage the cases which you hope could ensue from these demonstration programs, you could take the person into the country and basically keep them off of welfare and into the mainstream—is that essentially the case?

Mr. ZUKERMAN. That is what we are saying. What we are saying, I guess, to make it perfectly—I don't want to say make it perfectly clear. That has a lousy connotation. What we are saying is that we want to build into all those demonstration projects the two components, but we think that on a national basis what we need is some legislative authority and responsibility in the case management role.

Mr. MAZZOLI. That is where we would come in.

Mr. Silverman, you are recognized for 5 minutes.

Mr. SILVERMAN. Mr. Chairman, Mr. Lungren, I am pleased to testify before you on behalf of Gregory Coler, the director of the Illinois Department of Public Aid. My testimony is in support of H.R. 1452.

I would like to abbreviate some of my earlier comments, but submit the entire written testimony.

On this 10th anniversary of the fall of Phnom Penh, as we approach the 10th anniversary of the fall of Saigon, it is appropriate that Congress reauthorize this act. It stands as positive legacy of the Southeast Asian refugees to all peoples seeking refuge.

I am here, in effect, to say that we believe in Illinois that the Refugee Act works, that with the extraordinary coordination of Federal, State, and local government resources with those of the private sector, the Refugee Act of 1980 has successfully expedited the self-reliance of hundreds of thousands of refugees.

In Illinois, we have resettled approximately 50,000 persons from more than 18 nations, including 451 unaccompanied minors. With regard to welfare utilization, currently 37.6 percent of the time-eligible refugees in Illinois are requiring assistance. Half of those are children. In a finer perspective, of those residents zero to 18 months, 54 percent require cash assistance; of those residents 19 to 36 months, 21.5 percent. Of the post-Southeast Asian refugees, only 1,063 persons, or 6.9 percent, still require assistance. The 6.9 percent is well below the 10-percent dependency rate for Illinois residents.

We are very proud of the service system that we have developed in Illinois. I have listed here a number of the characteristics that I think are essential. One, of course, is case management. In Illinois, particularly in Chicago, we do have a continuity between reception and placement and longer term adjustment services, insofar as currently the VOLAG's are providing case management. Director Hawkes spoke to comprehensive planning and simultaneous service delivery, I think it is characteristic of Illinois. It is our understanding that in other places services are sequential and, as a result, early employment is postponed.

Further, by contractually coordinating services, we are able to tie them together. An important example is vocational training, where vocational training agencies share responsibility for job placement. Thus, they have greater concern for the nature and quality of training.

We have a number of performance requirements of our contractors that strengthen accountability and effectiveness. There is standardized client based data collection, as well as coordinated training and information dissemination. There are very precisely targeted client characteristics that allow us to address, for example, the hard to place.

Relative to the earlier discussion, one of the important characteristics of Illinois' system is that we have a mandated curriculum design. We do not fund English as a second language. What we fund is work English, vocational English language training, job club, and job workshop, all with a very precise focus on employment.

Finally, we have instituted performance standards through which we provide cash bonuses for exceeding required job placement, cash penalties for failing and, what is most important, a clear definition of cause to terminate contracts.

I think it is evidenced in Illinois and elsewhere that the Refugee Act and that the administrative support of ORR have provided the resources that State and local government require to conduct effective long-term resettlement. Perhaps not all people have used those tools.

To be sure, problems still exist and, in particular, major issues remain unresolved in the first stage of resettlement. Refugee income maintenance policies for the initial resettlement period differ dramatically from one VOLAG to another. The degree of professionalized service delivery differs from one local VOLAG to another. It is important to me that the best reception and placement takes place through local agencies with adequate administrative resources and staff. Currently, the funding of reception and placement is inadequate to implement, for example, the Lungren amendment. In this regard, the proposed Lungren amendment draws sharp focus on a major problem, and it merits very serious consideration.

However, I submit that the implications of the amendment require careful scrutiny before it is implemented nationwide. If the VOLAG's are to be responsible for refugee income maintenance for 90 days, will the Federal Government assure an adequate reception and placement stipend to enable successful performance? What are basic needs? Does meeting basic needs include providing medical assistance? If so, at what cost and through what funding mechanism? Will the VOLAG's be provided with adequate reception and placement staff resources at the local level to conduct effective resettlement? Who will monitor the provision of case management services and equitable income maintenance? How will the States be assured of accountable interface between the reception and placement process currently under the Department of State with State-administered ORR-funded services? If VOLAG's do not sustain the basic needs during the first 90 days, what is their liability? Will welfare systems be assured of reimbursement for those pre-90-day refugees who are eligible for assistance under State and local law?

Mr. **Mazzoli**. Mr. Silverman, would you be able to wrap up in about a minute or so? I hate to rush you, but we are trying to get everybody in about the same time sequence.

Mr. **Silverman**. We recommend that two steps be taken before implementing the Lungren amendment. One is to do a management study to decide where reception and placement is best funded and administered at the Federal level. The second is to examine what is required for local VOLAG's to conduct reception and placement.

Mr. **Mazzoli**. Thank you very much. I am sorry to have to move it along.

Ms. Rhea.

Ms. **Rhea**. Thank you, Mr. Chairman and members of the subcommittee. My name is Rachel Rhea, and I am with the Santa Clara County Executive's office. I was previously with the State of

California Office of Refugee Services, and I am here today on behalf of NACo.

NACo would like to, first of all, strongly endorse the reauthorization of the Refugee Act. I would like to submit my formal comments for the record and summarize a few of our key points that we would like to make today.

The focus of my comments are on the need for continued funding, as well as the need for States and counties to have the flexibility that they need to determine what best mix of services will ensure refugee self-sufficiency.

Specifically, we make the following recommendations: Targeted assistance and social services funding be maintained at their current levels and that targeted assistance be authorized; second, that flexibility be restored to States and counties to determine the most appropriate means to achieve refugee self-sufficiency; third, that the 36-month funding for cash and medical assistance continue; fourth, that the provisions of the Lungren amendment include assurances to States and counties that any cash medical services costs that those entities incur will be fully reimbursed by the Federal Government; fifth, to expand the usage of the preventative health refugee funds so that they can include such services as health assessment and followup care for noncommunicable diseases, as well as communicable diseases; and lastly, that the cost of providing support services to dependent refugees on SSI SSP should not come from the social services allocation.

I think that there is general agreement in the counties that over the past 18 months we were really beginning to get a handle and have a much more manageable situation with the refugees. This was due in part to the stability of the social services fund that had happened, the infusion of the targeted assistance funds, and the ability to really begin to integrate and coordinate services.

We are very concerned that recent actions on the part of the administration and some of the proposed actions threaten those basic stabilities, specifically how the continuing resolution is being addressed. I think we have talked about that today, and we certainly have a little bit different interpretation of that. First of all, we agree in that we think the targeted assistance has been successful. Mr. Hawkes alluded to the fact that the program has been in place for over 3 years and, in California, because of the very late allocations that were made by ORR, the program has basically only been running for 12 months. So when you start looking at how much funds have been expended, there are really essentially no unexpended funds for that period of time. It is the crossover of when the money came and people got started. Those programs are being successful if you compare them against the Job/Training Partnership Act and their placement standards. Many of the counties are well above those standards.

The proposal in the fiscal year 1986 budget to eliminate targeted assistance entirely continues to ignore the need that continues in States such as California for these services. In addition to that, there is the reduction of the social services funding. We would like to urge the maintenance of the existing funding at their current level, and the interpretation of the congressional resolution within your intent.

The reasons that we are recommending these in particular is that the need continues. There continues to be—impacted counties that are disproportionately impacted. There continues to be extremely long waiting lists for services to get in. And these services are not only directed at the newly arrived, but also at the populations that have been here longer and are harder to service. In Santa Clara County alone, over 50 percent of our refugees in targeted assistance have been here for 3 years or longer. The bottom line is targeted assistance and social services are the primary means to remove refugees from their welfare dependency and to ensure that those who never hit the system continue not to.

We would disagree with Mr. Hawkes' allegations that the dependency rate in California is up around the 85 percent, and would say that it is around the 50 percent. Although this is still a high rate, there are lots of things that are being done to take care of that.

The second big thing is that 85-15 requirement. California was basically required to implement this in October, sooner than any other State in the Nation, so we have a little bit more experience with what the effects of that requirement are. What has happened in California is that health accessing has been reduced by 75 percent. Only refugees who are actually enrolled and receiving training may receive these health accessing services, so spouses, family members, children are totally ineligible for them. All mental health and social adjustment services have been eliminated. The title XX services, such as child protective services, have been reduced by 20 to 30 to 40 percent, depending on the county that you are in. And all services in counties with smaller populations have been eliminated.

The 85-15 basically totally ignores the role that health and mental health have in putting people to work. And perhaps even more importantly, it eliminates our State and county's ability to put together programs that most effectively place the unique refugee populations that are in each one of those localities. We find it a little paradoxical that the administration is advocating for reducing Federal mandates at the same time that we are seeing an increase in Federal mandates coming from ORR. We urge you to restore this flexibility back to the States and counties to use their moneys most appropriately.

And last, but not least, before you hit your gavel there, in terms of the Lungren amendment, once again, we would like to see assurances that any costs that are incurred during that 90 days by States and counties are fully reimbursed. And equally importantly, and especially for California with its high secondary migrant rate, that assurances will be given that if a refugee initially settles in another State and, within that 90-day period, migrates to California, the voluntary agencies will continue to have responsibility both legally and financially for that client.

Thank you.

Mr. **Mazzoli**. The time has expired. I will yield myself five minutes to begin questions.

Let me start out with you, Ms. Rhea. You mentioned earlier in your statement that you would desire that the States continue to have flexibility to handle this problem. I am going to ask the question how all of a sudden you went from an 80-percent dependency down to 50 percent, because these figures wildly fluctuate. But States have not always done a great job, California particularly, in getting people off of welfare, so why would more flexibility be what this committee ought to do, ought to give you?

Ms. **Rhea**. I think we would agree with you that in the first couple of years of this program, it took California a while to get up and running to figure out the best delivery system that was possible, to identify the needs of our refugee population and, quite frankly, to institute a local-level delivery system where counties made those determinations.

In terms of the welfare dependency rate and why there seems to be such a wide variety in terms of the figures that are being quoted here, the bottom line is it is what base of population do you calculate that against. California, in all of the counties, have consistently throughout the year stated that the administration grossly underestimates the total population in California. And one of the primary reasons for this secondary migration numbers——

Mr. **Mazzoli**. So what you are saying is it is really a matter of how you calculate the numbers? You are not really saying that you are moving more people actually off of welfare onto work rolls? As far as absolute numbers, you are talking about just a statistical thing?

Ms. **Rhea**. We are talking about both. One, it is the base, so when you have a larger population, a smaller part of it is on welfare. And secondly, over the past 3 years, the number of people——

Mr. **Mazzoli**. If you are saying a percentage of the total refugees are either on or off, it shouldn't make any difference how big California is. It shouldn't matter. It is a raw number.

The experience that I have had is that in some cases, the States and welfare agencies, and so forth, have overly complicated the problem. In some cases, there are some voluntary agencies which I think have very much simplified the problem, and they are the ones that have been successful, because they say, "Look, you have got to get back to work, that is all. It is simple as A, B, C. You got to get to work." You don't pamper them. You have got to really be very tough sometimes and get them on the payroll.

I worry a little bit about giving States total flexibility, because there is a—just like there is a Refugee, Inc.—there is a Welfare, Incorporated. It is a huge business, it is a bureaucracy, and you cannot justify the extent of the bureaucracy unless you have something to do. And one of the problems is too many people have a need to justify their jobs, and I think that leads to a little bit of this protracted situation of keeping them on welfare rolls.

Ms. **Rhea**. I would suggest that rather than the Federal Government setting arbitrary standards that say 85 percent of the money should go for employment-directed services and reporting back to you how much money we are spending on what kind of services, that perhaps we should look at other standards of how many people were placed and how many people were taken off of welfare or never got to welfare. And if we redefine what we are looking at as the standards that you measure us against, any State or county can come in and say we can meet these goals and standards, and get to that bottom line versus we spent this much money on——

Mr. **Mazzoli**. The goal and standard is people should be getting off welfare in at least 3 years.

Ms. **Rhea**. And sooner.

Mr. **Mazzoli**. I would hope so.

Mr. Silverman, you mentioned that one of the successes in Chicago is that you have simultaneous instead of sequential application of these resources. That didn't take any legislation to accomplish, did it? It took just good managerial skill, good knowledge of how you quickly move people from one situation to the other?

Mr. **Silverman**. Well, I think all the tools are there. In defense of the 85-15 policy, there is flexibility in the action transmittal. A State can apply for 70-30 or 60-40 if the State is prepared to justify those expenditures. So I think that that is fair. The issue is management. As I tried to capture in my testimony, management becomes very difficult when, for example, case management in Chicago is funded by the State Department for 90 days, and then funded by ORR-funded services through the State.

Mr. **Mazzoli**. Let me ask you a quick question because my time has almost expired also. Do you use the individuals themselves? Do you employ refugees? Do you try to use MAAs, or what we have heard are refugee directed and organized groups in the Chicago effort?

Mr. **Silverman**. Yes; 23 percent of our overall social service funding is at this point going to MAA's. The percentage has been escalating in planned fashion over the last 3 years. They are developing beautifully. The Hmong Center has done a remarkable job.

Mr. **Mazzoli**. The last question that I will have a chance to ask is this: Are we ourselves overestimating the ability of refugees to help refugees? Is this a kind of a romantic thing that we are getting caught up in, or are we on fairly solid ground by saying that if you get refugees involved in the program, they may have a better way to reach their colleagues and countrymen and move them into the mainstream?

Mr. **Silverman**. If they are provided with sufficient technical assistance, if they are trained in broad——

Mr. **Mazzoli**. So it is not automatic? But, basically speaking, it is worth our pursuing to some extent?

Mr. **Silverman**. I would believe so.

Mr. **Mazzoli**. My time has expired.

The gentleman from California is recognized for 5 minutes.

Mr. **Lungren**. Thank you, Mr. Chairman.

Ms. Rhea, if you have some figures to give us to show that the dependency rate during the first 36 months in California is only 50 percent instead of 85.4 percent, I would love to hear them. I would love to see them, because that is the first time I have ever seen that asserted.

Ms. **Rhea**. I can make those available to you.

[The following information was submitted after the hearing:]

Office of the County Executive
County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
299-2424 Area Code 408

County of Santa Clara
California

2137 RHOB
Room D

June 12, 1985

TO: Subcommittee on Immigration, Refugees, and International Law

FROM: Rachel Rhee, Legislative Coordinator, Santa Clara County

SUBJECT: Refugee Welfare Dependency Rates

The Subcommitree requested the following information on the refugee welfare dependency rates in California. Please let me know if you have any questions or need more information.

- 30% of all refugees in the United States are living in California. (Includes time-eligible and time-expired).
- Of these, 53.7% are receiving some type of cash assistance, including AFDC, RCA, General Assistance or SSI/SSP. (includes time-eligible as well as time-expired).
- Of those receiving cash assistance, 85% are receiving AFDC. (Includes time-eligible and time-expired).
- An estimated 45.2% of those AFDC cases have been on aid an average of 26 months.
- Of all refugees receiving aid in California, 40% are secondary migrants from other states.
- Of these secondary migrants, 75% had received cash assistance in the state of their initial resettlement and 61% are time-expired.

Source Document: "Refugees Receiving Cash Assistance Characteristic Survey". State Department of Social Services, Statistical Services Branch.

3878r

Mr. LUNGREN. If I understand what you are suggesting, you are saying that because of secondary migration, those people are not counted, but those people seem to be able to attract jobs better than those who were first settled in California and, therefore, we are not counting everybody and the welfare dependency is not as great; is that true?

Ms. RHEA. Not exactly. I am saying that the numbers of secondary migrants that the State estimates is about 40 percent of the State's total population, and when that is not included in your base figure of what the State's population is, that is a sizable chunk to leave out.

In addition to that, when we look at why there is even the 50 percent range dependency rate that we are talking about and we are saying where does that come from, when we look at who those secondary migrants are—and once again, 40 percent of California's total population is quite a big number—we find that 76 percent of those folks were never employed in the State that they came from, and 75 percent of those folks received cash assistance in those States. So the bottom line is we are inheriting in California other States' problems.

Mr. LUNGREN. I understand that, but that would suggest to me that probably the 85-percent rate would hold up. If you are saying we are not counting the people who are secondary migrants who are coming in, those are people who evidently, as you suggest, have not been successful elsewhere, and if you are saying they come to California and don't apply for welfare, that doesn't make sense to me.

Ms. RHEA. I think we look at the total numbers in the State and the total numbers on welfare, including the time expired as well, and that is how we arrive at our figure of the approximately 50 percent. I will be glad to make those figures available.

Mr. LUNGREN. You are talking about the time expired. The figures we have been given are 85 percent of those people who come within the 3 years, not time expired.

Ms. RHEA. It is the total population that we are talking about.

Mr. LUNGREN. OK. You are talking apples and oranges. We have always said that 85.4 percent of those who are within the 3-year limit evidently are receiving welfare assistance of some sort in fiscal year 1984, compared to a national rate of 37.7 percent. Do you disagree with that?

Ms. RHEA. Yes, I do. That number is lower for that time eligible population.

Mr. LUNGREN. I have been here 7 years, and I have been defending the California experience and, frankly, I can't defend the California experience versus the rest of the country. We have 85.4 percent—at least the figures I have, until we show you differently—of those within a 3-year period of time are welfare dependent, compared to the national rate of 37.7 percent. That means to me that not only are we getting secondary migration, but we have some problems in California that we ought to deal with. Unfortunately, no matter what the situation has been, we haven't been able to deal with that very extensively.

Let me ask a question of the three of you. To what extent are the MAAs being brought into the process—first, Ms. Rhea, in California?

Ms. **Rhea**. I would say, quickly to answer your question, it in two ways. One, through the targeted assistance funding in Santa Clara County, for example, there is about 40 to 45 percent of the funds that are awarded to MAA's. There are similar ranges with other counties, from 40 to 50 percent. With the social services funds and with the contracts that are about ready to be let, the State Legislature mandated that preference be given to MAAs for funding. I would anticipate that they will be a total of 40 to 50 percent of the social services contracts also being awarded to MAAs.

Mr. **Lungren**. Prior to this mandate by the State government, what percentage was it? Do you have any idea?

Ms. **Rhea**. Probably about 10 or 15 percent.

Mr. **Lungren**. All right.

Mr. Silverman.

Mr. **Silverman**. Twenty-three percent.

Mr. **Lungren**. Mr. Zukerman.

Mr. **Zukerman**. I can't give you an equivalent number on a national level. I suppose we could try to find it out through ORR. All I know is that our affiliates with increasing frequency and with greater use are working effectively in cooperative relationships with the MAA's. There are things that refugee ethnic populations can do better than even the most skilled professionals, and there are things that they can't do better. So there is a role for all of us to play in this, and we are working very hard and quickly at maximizing that.

Mr. **Lungren**. You said you made it very clear as to what the position of your organization is on the Lungren amendment. I understand it is against the Lungren amendment. As you know, legislation of this type did not move last year largely because of the voluntary agencies' dissatisfaction with that amendment. I guess my question is: Don't you think we could have legal and financial responsibilities imposed for the first 90 days with waivers for extraordinary circumstances to protect all parties involved?

Mr. **Zukerman**. I suppose one could write a statute that would protect all the parties and it would look like some of the sections of the Internal Revenue Code to qualify it. Our problem is that it won't work. Our problem is that it will, one, give individual causes of action by individual refugees against their sponsor who are, in effect, by the legislation, put into a parental support relationship. It gives us no leverage to say to a refugee, sorry, we are not giving you any support because you turned down a job offer that you should have taken. It doesn't tell us the extent to which and at what levels we would have to carry out our support levels. Therefore, we don't even know what is——

Mr. **Lungren**. If that wouldn't work, what would work?

Mr. **Zukerman**. What we are suggesting to you is give us the case management possibilities and ability to manage an alternative cash assistance program, and we will bring dependency rates down.

Mr. **Mazzoli**. The gentleman's time has expired. I apologize. We will come back.

The gentleman from California.

Mr. **Berman**. Thank you, Mr. Chairman.

Ms. Rhea, I would like you to take the last of questions—maybe not the last line, but the last line he asked you, Mr. Lungren's questions—from the figures that Mr. Lungren cites, one could reach a conclusion without being too unfair that somehow California is doing something wrong. And since I would find myself in a very strange position agreeing with Mr. Lungren, I would like to give you 5 minutes to convince me why he is wrong.

Ms. **Rhea**. I think that there are several factors involved with the dependency rate that there is. We can provide those numbers to you to back up what we are saying in terms of California's dependency rate.

But it is still high, and we need to look at what are the factors dealing with that. First of all, you are talking about just extraordinary numbers in California and the resources have never been adequate to meet those numbers to make sure that they never hit the welfare rolls.

Second, when you look at the demographics of the population that there are in California, and you look at the labor market needs and where the jobs are, they don't match up. What I mean by that is that the average educational level for the refugees in California right now is less than 8 years. The average number of people who have a high school education is less than 8 percent. When you look at Santa Clara County, a high-tech county of California, as well as other labor market demand areas, you can't take that kind of background and immediately turn it into jobs. It is adding those additional skills to make it competitive with the folks that are there.

I think, lastly, and what the Fish amendment starts to allow California to address, are the fundamental disincentives that there are in the welfare system right now. And through the statewide demonstration projects that have been alluded to several times in California, it gets us the opportunity to really test if those disincentives are there. I would say that we are going to see a significant improvement in the welfare dependency rates being declined as a result of the removal of those inherent barriers in the welfare system.

Mr. **Berman**. Earlier Mr. Hawkes, in talking about the 85 to 15 regulation, indicated that he didn't think that was going to—he accepted the fact that there is a significant portion of the California refugee population that was not employable, but he didn't think that the $6 million that was authorized to California under that breakdown would hamper the key essential nonemployment-related social services—for instance, health accessing. You were here, I take it, when he testified. Your written testimony—I missed your presentation here—indicates that California suffers tremendously by virtue of this regulation.

No. 1, does it jeopardize what you just expressed as your hope in terms of removal from welfare dependency; and No. 2, how would you deal with Mr. Hawkes' testimony on this regulation?

Ms. **Rhea**. We believe that it does jeopardize the ability to continue to reduce those welfare numbers and, very quickly, with two services in particular, and that is with health and mental health. Without those services, we are saying a lot of the folks that we have enrolled in training will not be able to continue participating and essentially dropping out. So those support services that have previously been available to keep them there are no longer available.

Mr. Hawkes says, well, 15 percent is plenty of money to pay for these things. He is throwing in the targeted assistance money into that total pot of money to come up with that $6 million. Unfortunately, in terms of the timing and how the planning happened with the targeted assistance plans, the plans were completed almost after—were completed before 85-15 was fully implemented, and so counties were not able to take that into account. So, one, that 15 percent pot is not at $6 million, it is about $2 million or $3 million. Then you look at what we are trying to take out of the $2 million or $3 million, you start with what you brought up within home supported services cases, which are refugees that were resettled in this country that were disabled and severely disabled at the point that were resettled. California right now alone is spending $4.5 million annually on those services. In addition, it is putting State general funds into that program. You add the costs of mental health services, the costs of health services, the costs of child protective services and other title XX services for refugees, and your 15 percent pot quickly disappears.

Mr. Mazzoli. The gentleman's time has expired.

The gentleman from New York is recognized for 5 minutes.

Mr. Fish. Thank you, Mr. Chairman.

I welcome the panel. Mr. Zukerman, my congratulations to you on your new responsibilities—condolences perhaps.

I would like to pick up where time ran out and you were talking with my colleague from California, Mr. Lungren, when you asked for case management and alternate cash assistance programs. From reading your testimony, I gather that, with respect to the Fish amendment, you agree with Mr. Hawkes that additional statutory language is not necessary at this time in order to reduce refugee eligibility for public cash assistance, but you do recommend legislative language changes that would facilitate more effective case management by the voluntary agencies. By case management, you say it means planning with and for the refugee even before his day of arrival how he will achieve economic and social self-sufficiency, requiring that service providers, public and private, respect and assist in the carrying out of the plan and, finally, coordination of the plan's implementation by the sponsoring voluntary agency. You suggest that the committee consider language that would require each agency to develop, monitor and coordinate a resettlement plan for each refugee.

I read from your testimony but, as I understand it, you had to capsulize it initially. Is that what you were responding to?

Mr. Zukerman. We don't think that there is any change necessary in the language of the Fish/Wilson amendment. We would like to see such language about case management made generally applicable, not just the Fish/Wilson demonstration projects, in which we would be able to do it by the current language.

Mr. Fish. Would you supply the committee with language that you recommend?

Mr. Zukerman. Yes.

Mr. **Fish**. Thank you.

Mr. Zukerman, we recently learned that the Matching Grant Program is in trouble. I gather there are conversations going on covering the question of what a viable method for refugee resettlement in the United States is. Could you tell me of your experience with the matching grant program and your position with respect to it?

Mr. **Zukerman**. I was the director of the Soviet Jewish Resettlement Program for the Council of Jewish Federations before I came to HIAS. We were at the beginning of the program by far the principal grantee under the Matching Grant Program. I think the Matching Grant Program reflects an American consensus that refugee resettlement is a joint venture between the public and private sectors. We think it encourages voluntary dollars to be placed into the system and, in fact, requires that they be accounted for. We think the program was effective in financing a good delivery system.

The Matching Grant Program is not a social service or resettlement delivery system, it is a financing mechanism. I think whether we are taking in 70,000 refugees a year or 170,000 refugees a year, we need a variety of service delivery mechanisms and financing mechanisms to accommodate the various differences among the refugee groups and their sponsoring and receiving communities. I think there is no one correct way to either finance or resettle every refugee. I think that if we are looking for that single solution, we won't find it.

I think we need to be prepared, as in any human services program, to have a variety of mechanisms available, compatible with each other, to take into account variations in the human needs that we are trying to deal with.

Mr. **Fish**. Thank you.

Mr. Zukerman, earlier today, both the director of ORR and the refugee coordinator testified that the matching grant program had been effective, but perhaps too effective, because they figure that it was working so well that it could be cut in half or abolished. What do you foresee if the Matching Grant Program is cut in half or abolished?

Mr. **Zukerman**. I think at the very moment that voluntary agencies are interested in expanding their use of the Matching Grant Program to other than Eastern European refugees, the administration is proposing to eliminate it in a 2-year phase-out. It is inexplicable to me, except for some desire to simplify something that, by its very nature, shouldn't be simplified. I do not wish to speculate as to other reasons why it is being proposed. But the fact that there are communities in this country prepared to put up substantial amounts of money to assist in the reception of newcomers is not an excuse for the Federal Government to back away from its share of the responsibility.

Mr. **Fish**. Thank you.

Mr. **Mazzoli**. The gentleman's time has expired. I yield myself an additional 5 minutes for another round.

Mr. Zukerman, let me ask you a little bit more about this case management thing. I guess I really don't understand it entirely, because as I talked to Mr. Silverman a minute ago, part of his case management is just good management technique. It doesn't take rules, regulations, statutory language; it is just handling money efficiently and well and knowing that sometimes people have to be dealt with sternly, even as you love them. But you suggest that except for demonstration programs which would come under the Fish/Wilson—am I right in that?

Mr. **Fish**. That is right.

Mr. **Mazzoli**. I want to get the order of priority correct, Mr. Fish, first.

But except for those programs in which you find your authority set forth, you think you need more. Could you tell me, while you have agreed to supply the kind of language, essentially the framework, essentially the high points of what you are looking for?

Mr. **Zukerman**. We think it needs to be clear national policy that the sponsoring agency, which is looked to for the basic job of receiving, placing and resettling, has the authority to carry out that responsibility. We have a very complicated resettlement system which reflects the Federal nature of our Government. Somebody has got to be put principally responsible. We think we are the right place. But our tradition generally says if you are going to have responsibility, you are going to have the authority. Now the authority is the problem.

Mr. **Mazzoli**. OK. That means you have come in competition with the State welfare agencies who want to be in charge of something; is that the idea?

Mr. **Zukerman**. It means, for example, if I am a local voluntary agency and I have worked out an employment plan which says to this person who cannot speak English very well that you are going to take this job which is available for you and we are going to make sure you learn English better on the job and in the evenings—there used to be things in this country called night schools.

Mr. **Mazzoli**. So you would say he——

Mr. **Zukerman**. If there are no services, if a service provider who has a contract for an English language program refuses or isn't permitted to operate them at night, then our plan gets——

Mr. **Mazzoli**. So what you would envision is the opportunity for voluntary agencies to stand astride this effort, and your decision as to when the schooling would be conducted, as to which job the individual would take, as to whether or not the individual would physically ever be able to walk inside a welfare officer to sign up, it would be your decision to make, which again puts you——

Mr. **Zukerman**. Excuse me. With the one exception. I think it would be wrong to deny anybody the right to apply for public assistance.

Mr. **Mazzoli**. Wouldn't that deny——

Mr. **Zukerman**. Excuse me. I think it would be wrong. I think the onus is on the public assistance authorities to apply the laws affecting eligibility. If the person isn't in need because they are being provided with assistance, that should be denied. It should not be a condition of receiving a social service that one has to get a public assistance benefit.

Mr. **Mazzoli**. If we understand it correctly, sometimes the left hand doesn't know what the right hand does. In effect, allegedly, the State welfare agency doesn't know that this individual is under the control of HIAS or the Catholic Conference or something like that, and they say sure, they are entitled and they start signing up. And then this allegedly does two things: One, you get money which distorts the system; and second, it destroys case management.

Mr. **Zukerman**. That is correct.

Mr. **Mazzoli**. Can you tell me how do you get the word to the State welfare agency which says apply standards, except that one standard is if you are registered with X, Y, Z voluntary agency, you don't qualify? How does that work? How do you get that word out?

Mr. **Zukerman**. First of all, I think there is already law on the books that tells the public welfare agencies that if a refugee applies to them for cash assistance, as a part of their means testing in order to determine need, they are supposed to be in touch with the voluntary sponsoring agency to determine the circumstances of that individual. That has not been carried out in some States, because I am given to understand that those States claim it is a violation of their own privacy laws.

Mr. **Mazzoli**. Is that the case in California?

Mr. **Zukerman**. I am told so. I am not from California, so I can't speak to that directly.

Mr. **Mazzoli**. I have heard so.

Mr. **Zukerman**. I think there is that conflict between State and Federal law in a very critical area.

Now I must tell you, Mr. Chairman, that if the States uniformly were as cooperative in the voluntary agencies as they are in many places, we wouldn't be asking for legislation.

Mr. **Mazzoli**. I understand.

Mr. Silverman, maybe you can respond, because you are running what obviously seems to be a pretty successful effort and, yet, you are from a slightly different perspective than Mr. Zukerman, your colleague. How would you feel if, for example, there were this legislative authority for case management on the part of voluntary agencies? How would you see that impairing your work or enhancing it or whatever?

Mr. **Silverman**. It would probably strengthen the authority. Right now the requirements are that the public welfare agency must discover from the VOLAG what the level of income support is and, secondly, whether the refugee had refused an offer of employment within the last 30 days.

Mr. **Mazzoli**. Is that under the Fish amendment or is that the law?

Mr. **Silverman**. That is the ORR regulation.

Mr. **Mazzoli**. All right.

Mr. **Silverman**. If you change the report of refusing a job to refused to comply with an approved employability development plan, that would be more comprehensive and would probably give the authority——

Mr. **Mazzoli**. Do you have in Illinois any problem with complying with that, because apparently California does?

Mr. **Silverman**. No, we have had no problem.

Mr. **Mazzoli**. You don't have privacy problems?

Mr. **Silverman**. Well, no, because they are under contract to us and they are, in effect, an extension of the State in those functions.

The real issue here, however, is that Mr. Zukerman is asking for more professionalized reception and placement with clear guidelines about VOLAG responsibility. I am all for that. I have an unusual group of VOLAG's who are professional, who are dedicated, who are experienced. I don't know what happens in areas where that is not the case.

Mr. **Mazzoli**. That is, of course, a question—my time is expired and I want to yield to my friend from California—but that is the question. There are probably some voluntary agencies which have the tradition, the history and the professional management to be able to take a case from A to Z and work it out. The question is whether or not all voluntary agencies would be in the category.

I have another line of questions, but I will yield to my friend for 5 minutes.

Mr. **Lungren**. Thank you, Mr. Chairman.

I guess I would like to ask all three of you this: If we had language which specifically excluded new arrivals from welfare during the first 90 days or 6 months—this is a suggestion proposed by John McCarthy when he was the head of the USEC in general terms—but made sure that the resettlement grant was sufficient to take care of the needs of the individual, would you have a problem with that?

Ms. **Rhea**. I would add just one additional assurance that we would like to look at, and that almost goes back to your comments of not all voluntary agencies are as professional in their field office levels as some others.

Mr. **Lungren**. Nor State.

Ms. **Rhea**. Nor State. And one of the things that we would like added to that is some assurances that voluntary agencies basically have that ability to serve those clients for that period of time, because quite often in California, very frankly, we see that they don't. So giving them that responsibility, if they don't have the ability to carry it out or the experience in carrying it out, we may end up in the same situation.

Mr. **Mazzoli**. Why would you give it to them if they are not experienced? Don't you have some way to monitor this yourself? Are you paralyzed to make a call once and a while?

Ms. **Rhea**. In terms of monitoring the voluntary agencies?

Mr. **Mazzoli**. I mean, are you paralyzed in saying, look, you are not doing the job, so you don't get any more money, you are not involved?

Ms. **Rhea**. In California, we don't fund the voluntary agencies for those types of resettlement activities, unlike the situation in Illinois, so, technically, no, we don't have the authority to go in in a formal sense and say you are not doing the job and you are not going to get this anymore.

Mr. **Mazzoli**. But how about in an informal way?

Ms. **Rhea**. Informally, that happens on a local level on a consistent basis.

Mr. **Mazzoli**. Couldn't you process that and get rid of these voluntary agencies that can't take of their program like my friend Dan is talking about?

Ms. **Rhea**. Excuse me, I didn't hear you.

Mr. **Mazzoli**. You were saying that somehow you are paralyzed, you know that some agencies aren't doing the job, but you still got to keep giving them money. Just cut them off. Just cut them off at the pass. They are no longer a part of your operation.

Ms. **Rhea**. I think that, once again, if there was authority for the State or California had that authority to do it, that may be something that they would look at doing. But, fundamentally, there is no authority.

I would just like for a half a second correct the perception that has been given up here that California is not able to talk with the VOLAG's and get the information of how much the VOLAG is given in terms of making welfare dependency. Once upon a time, that was true, California confidentiality laws were interpreted such that we were basically restricted from sharing or asking any kind of information. Since those requirements became a part of the regulation, that is no longer true and, to my knowledge, those kinds of contacts go on on a regular basis. Our welfare departments are mandated to do that, and the State goes in and regularly monitors that that is part of the cash assistance determination.

Mr. **Lungren**. In determining eligibility for welfare in California, is the Government entity allowed to take into consideration services in kind?

Ms. **Rhea**. Certain services in kind, yes, and those are services such as going and paying your rent, giving things where you can assign a specific dollar value to them that are considered. You know, basically, if you have the money in hand or that service was provided, it is the same thing. It is the more nebulous services of saying I took someone and signed their kids up for school, I took them to the doctor, I did these things that are not counted in that.

Mr. **Lungren**. What if someone supplies housing for them, but it is not actually a rental unit?

Ms. **Rhea**. I am not 100 percent sure on that technically of how that is provided. Our experience is that, in most cases, they are going out and renting apartments or houses, and that is where we deal with it most often. So, in terms of that specific technicality, it is not something we run across a whole bunch. So I don't know the answer to that.

Mr. **Lungren**. Mr. Hawkes made the representation that certain services in kind which do contribute to the support of refugees are, under California law, not counted in determining their eligibility.

Ms. **Rhea**. And those are those other type of services that I was just speaking of, that the voluntary agencies do do that you can't assign.

Mr. **Lungren**. But I mean taking somebody to the doctor and then being responsible for paying for it?

Ms. **Rhea**. No. It is more that kind of support service of getting them set up and ready to go, taking them to jobs, interviews, those types of activities. How do you assign a dollar value to that?

Mr. **Lungren**. I guess I would like to ask a generic question to the entire panel. It goes along with what the chairman has just asked. I keep hearing a couple of things. One is that maybe we could do some of these things you suggest. However, not all voluntary agencies are the same and not all are similarly qualified.

I was under the assumption that a match was made between a voluntary agency and an individual to be resettled. That is, that the assumption upon which we acted was that a voluntary agency that could handle that individual was the one given the responsibility for resettling that individual. Is not that the basis upon which this whole operation is supposed to be working?

Mr. **Zukerman**. The voluntary agencies, as far as I know, and I certainly know my own best, will not place a client, a refugee, in a place where they don't think they have the capacity to resettle, and we shouldn't.

I think I would like to respond to the two earlier questions that you put to us. One, I don't think one needs to have a professional in social work, a lawyer or an attorney level of staff, to do good case management. I come from a service delivery system that is highly professionalized in the social worker/vocational worker sense. I think good case management can be done by people who are informed and intelligent about what their responsibilities are. I don't think that any local affiliate that is incapable of performing that basic case management function, whether it is a congressional model or an agency model, ought to be receiving refugees for resettlement.

With respect to your other question about language with money along side of it, that said that refugees would be ineligible for *X* period of time for public cash assistance and that there would be sufficient funds, I don't want to foreclose it. A lot depends on how that language is worded. A lot depends on that. I don't think we need to go that far in order to deal with the problem that we now have, but I wouldn't foreclose the possibilities that there are some ways of putting that kind of a thing together that would be acceptable to everybody.

Mr. **Lungren**. I appreciate that. I just don't know what the solution is. I mean, we have testimony here—Mr. Zukerman, your testimony talks about California's 85.4 percent cash assistance utilization rate for refugees. The national average is 37.7 if California's statistics are excluded. And then we always get this: California's experience distorts perceptions of the national resettlement program. California's got 40 percent of those people who are resettled. I mean, it makes up the great bulk of the program, and that means we have to attend to it.

Mr. **Zukerman**. You are quite right.

Mr. **Lungren**. I would love it if the California experience were 37.7 percent, but it isn't. I think if 40 percent of all of the refugees weren't in California, the refugees would be resettled more successfully in all areas of the country and we would have these rates down, but that is just not where we are. I mean, we are grasping for trying to find solutions. Every time we make a suggestion, what we get is, well, yes, that is a good idea, but we don't think we can work it, and what we need to do is study another 2 years.

Mr. **Zukerman**. No; we are not talking about studying. We are talking about doing things that are we pretty confident in a major way will bring the numbers down.

The reason we refer to the effect on the national picture of the California experience is because, first of all, the program is working in a heck of a lot more States than it isn't working. We think that dealing with national solutions to problems that are not of a national nature, although their dimensions are large, is the wrong way to go.

Mr. **Lungren**. Let me just say in response to this and something Ms. Rhea said, and it is something that is absolutely true, that part of the reason we have the rates we have in California is due to the fact that many of the people who have been unsuccessful in your supposedly successful States have left and come to California. We didn't resettle 40 percent of the refugees on first resettlement. Many of them came secondarily. So many States can say we have done a far better job than you have, California, but their lack of success has gone to California.

I would argue that our high welfare payments attract people. I mean, they attract Americans who were born here. There is no reason why they wouldn't attract people who——

Mr. **Zukerman**. They also have some nice weather and some beautiful places to live.

Mr. **Lungren**. I understand all that. But if we cut our welfare rates in half, we would still be in the top third within the United States. All I am saying is there are a whole lot of reasons, and the California situation cannot be isolated by saying that somehow it does not relate to the national experience, because, in fact, we are impacted by other States when they are not successful, and we in California then have the higher rates.

Mr. **Zukerman**. I agree that that is a very important factor.

Mr. **Lungren**. There are some serious problems that we have to deal with here. I don't know. I have been working with the chairman on this, and I don't want to be cynical about it, but its been 7 years, and maybe I will be here 7 years from now and we will still be talking about the same dependency and how somehow one solutions didn't work. There is something very different in the experience we have had with refugee resettlement over the last decade than anything we experienced before. I know part of it is because of the nature of the refugee population and the circumstances under which they came here.

Mr. **Zukerman**. And the rate at which they came.

Mr. **Mazzoli**. The gentleman's time has expired. We will just continue, if you wish.

Mr. Silverman, you seem to have indicated——

Mr. **Silverman**. Two things. One, if you barred refugees for the first 90 days, presumably it would be from the Federal programs, and they would still be eligible for programs such as general assistance under State and local law.

Mr. **Lungren**. We would grant authority, as we tried in the immigration bill, to give that authority to the State and local governments if they wished to pursue it.

Mr. **Silverman**. I think what you are looking for, what we are all looking for, are performance standards for reception and placement. We have a great big grab bag. We have no way of saying, look, you don't have the capacity to do good reception and placement in Garden City and, therefore, we will not give you money. What is reception and placement——

Mr. **Mazzoli**. Let me just stop you at that point, Mr. Silverman. I am curious about that. Why is it that no one has the opportunity, the knowledge or the courage or something to tell some voluntary agency, you are just not cutting the mustard and, from now on, no more R&P grants? What keeps Mr. Purcell, whoever approves these things, from saying no, just simply no? Is it peer pressure? Is it part of this Refugee, Inc.

Mr. SILVERMAN. It may be. I think that the Bureau of Reception and Replacement has made tremendous strides in the past year in specifying in the cooperative agreement what activities constitute reception and placement. The missing link, the link that is present in the so-called Chicago project, is that the local VOLAG's are given sufficient staffing, sufficient funding to conduct those responsibilities which are specified. I think the issue is that we have never addressed how much staff does it take or how much does it cost to conduct sound reception and placement.

Mr. MAZZOLI. This gets back to what I have said before, and I have been, you know, criticized for saying it. It is the fact that we let our soft heart get in the way of our hard head. It is just that we say there is nothing more laudable, more noble, more moral in the Judeo-Christian ethic than to take care of the people like this, and so we say anyone who is willing to come on, and we don't get critical, we don't look over their shoulder, and we don't ask for accountability. You were here when I asked Mr. Purcell why they are only now getting around to requiring detailed accounting procedures and responsibility and reporting standards. So it has taken a long time. I don't know that there is any excuse for it, except the reason that there hasn't been any string pulled before is because everybody has been afraid to pull the string. It would be wrong, it would be a reneging of our commitment to take care of the oppressed.

Well, you know, just like Dan was saying, eventually the American people are going to say the heck with the oppressed, we are oppressed too, it is a waste of a lot of money, and a lot of people are getting rich—you know, groups of people like ours with $500 suits on, and so forth—you say, look, we are all part of the bureaucracy. How can we get down to the situation where there is not this bureaucracy? Let me ask you and then Mr. Zukerman.

Mr. SILVERMAN. I fear that the string to pull is an expensive string. If you replicate the Chicago project under a Lungren type of amendment, you are talking about an additional $35 million. You are talking about $21 million in staff and another $14 million in additional——

Mr. MAZZOLI. We are talking about billions that have been wasted, so isn't that a cost effective use of money?

Mr. SILVERMAN. It helps.

Mr. MAZZOLI. Thank you.

Mr. Zukerman.

Mr. ZUKERMAN. I would hesitate to say that the hard head is not also a part of the Judeo-Christian tradition. I think it is a balance that is required, not one or the other.

Mr. MAZZOLI. I agree with you.

Mr. ZUKERMAN. Second, it seems to me that all of us are being snowed under by an enormous amount of accounting for what we put into the operation, and not very much has ever been tried out in the way of being held accountable for what we produce, any of us. I think performance standards are something that will help rescue us. I think the reluctance to pull the string is because there is an unfairness in that—wonder of wonders, ask around this room, nobody has ever defined for any particular refugee group what good resettlement outcomes are.

Mr. **Mazzoli**. No; it is not hard. If they go on welfare and are on welfare forever, it is not a good settlement contract.

Mr. **Zukerman**. What is a reasonable time to be on welfare? Mr. Congressman, what I am saying is it is a tough job which we ought to be doing and have done. That is the way we will be able objectively to say to people, you do measure up in the work that you do and you don't. Otherwise, we are going to forever be snowed under by paperwork requirements for what we are putting in, and people will feel frustrated, as we all do, about not having made enough progress.

Mr. **Mazzoli**. I appreciate that. It is certainly sad from the standpoint of one with the experience in the field, as well as the personal devotion to trying to do the best job possible. But I think that, as we say, a war is too important to be left just to the generals. I think sometimes resettlement is too important just to be left to the professionals and the voluntary agencies, because they can complicate things intensely, because this is part of the experience. We are all part of the bureaucracy. Just like people have to look at Congress from the outside to tell us how to reorganize ourselves, we can't see from within. We have personal friendships. We have certain historical weaknesses. We have certain deferences which are built into the system, and we can't say no sometimes. People from the outside suggest to us to whom to say no.

So sometimes, I would say, with all respect to you, we from the outside who don't understand all the problems are better able to suggest solutions because we are not so confused. We don't have too many of these elements swirling in our heads. But we are not so unmindful of our need to hear you that we don't have meetings like this so we can analyze our own thoughts in connection with and against the backdrop of what the professionals have to say.

Having said that, I really do appreciate the testimony from the three of you. Any additional information—you all, I think, sat through the hearing—anything that would develop from what the earlier panel said that you would like to amplify, we would love to have it. It will be made a part of the record. It can be an informal response, but we are trying to do our best to do a good job, and we will need your help.

[The following prepared statements were submitted by the witnesses for the record:]

PREPARED STATEMENT OF KARL D. ZUKERMAN, CHAIRMAN, COMMITTEE ON MIGRATION AND REFUGEE AFFAIRS, INTERACTION

I am Karl D. Zukerman, Chairman of the Committee on Migration and Refugee Affairs of InterAction. Twelve members of the Committee historically have borne the responsibility for resettling refugees in the United States. There are other voluntary agencies who are members of the Committee which have a strong although not operational interest in the resettlement of refugees. This morning I am testifying on behalf of the following agencies directly involved in refugee resettlement:

American Council for Nationalities Service
American Fund for Czechoslovak Refugees
Buddhist Council for Refugee Rescue and Resettlement
Church World Service
HIAS (Hebrew Immigrant Aid Society)
International Rescue Committee
Lutheran Immigration and Refugee Service
United States Catholic Conference
Polish American Immigration and Relief Committee
The Presiding Bishop's Fund for World Relief
Tolstoy Foundation
World Relief of the National Association of Evangelicals

We appreciate this opportunity to present our views to the Subcommittee as a part of its consideration of the reauthorization of the Refugee Act of 1980.

Mr. Chairman, we have worked with and testified before this Committee on numerous occasions and have seen a number of significant improvements in the refugee resettlement program as a result of the work of this Committee. Our comments this morning are intended to contribute to the continuation of improvement in the domestic resettlement program.

The principles and programs embodied in this act are testimony to the position of leadership our country has taken in response to the continuing global refugee crisis. Our example, if followed by other enlightened nations, will help to create better conditions for refugees. Moreover, it most assuredly stands as an expression of our highest moral convictions. We in the voluntary agency community wholeheartedly support the reauthorization of the Act for a minimum of two years.

We voluntary agencies continue to be deeply concerned by the high utilization of public cash assistance by refugees in certain areas of the country. We emphasize "certain" because refugee resettlement, in our view, is working very well in many areas while in some others there is an over utilization of cash assistance. For example, California's cash assistance utilization rate for refugees in FY 1984 was 85.4% compared to an overall national rate of 37.7%, if California's statistics are excluded. California's experience distorts perceptions of the national resettlement program.

We know that cash assistance is overused in some other areas of the country. Where such overuse does take place, it can, in large measure, be attributed to some combination of inadequate mechanisms to provide for needed transitional assistance for refugees and either the absence of case management planning for the individual refugee or diffuse authority and responsibility for implementing that plan.

It is one thing to have identified these problem areas. It is another thing, however, to design effective solutions. This requires the design and testing of a number of alternative approaches. While the reauthorization of the Refugee Act was not passed by the full Congress in 1984, the House version did give us the Fish amendment which subsequently was attached by Senator Wilson to the Continuing Resolution under which the resettlement program now operates. As you are aware, this amendment mandates that the Administration test alternative approaches to the use of public cash assistance.

In our view, this legislation will enable us to do what all of us agree is necessary. Even before the enactment of this amendment, the voluntary agencies were searching for alternative means of resettlement. In cooperation with the Department of State and the Illinois State Coordinator's office, six of the resettlement agencies have developed the Chicago Resettlement Demonstration Project to test certain hypotheses about the resettlement process that we hope will lead to earlier self-sufficiency among refugees in Chicago and provide some model approaches that can be replicated in other areas of the country. The voluntary agencies are now working individually and collaboratively to design alternative approaches to refugee resettlement under the Wilson/Fish amendment. These include several methods of providing transitional assistance and various models of case management. Based on our experience, we believe that there is no single, ideal method of transitional assistance or case management that will be equally effective in all circumstances.

Thus, we now have the legislative tool -- the mandate -- to address the persistent problem of high utilization of cash assistance. Therefore, we do not believe that additional statutory language is necessary, at this time, to reduce refugee eligibility for public cash assistance. The results of our demonstration projects may substantiate the need for subsequent legislative language, but these projects must be allowed to run their course. Until the results are in, further legislation addressing the utilization of cash assistance will be counterproductive and possibly complicate the tasks of the voluntary agencies.

We do think, however, that legislative lanquage changes would facilitate more effective case management by the voluntary agencies. By case management we mean: 1) planning with and for the refugee, even before his day of arrival, how he will achieve economic and social self-sufficiency, 2) requiring that service providors, public and private, respect and assist in the carrying out of the plan, and, finally, 3) coordinating of the plan's implementation by the sponsoring voluntary agency.

In this context, we suggest that the Committee consider language that would require each agency to develop, monitor and coordinate a resettlement plan for each refugee. Such legislative language will greatly strengthen the voluntary agencies' ability to assist the refugee to achieve self-sufficiency. It is important to emphasize that the voluntary agencies are only one partner in the resettlement picture. When the different partners operate from different permises with little or no communication and often at cross purposes, refugee resettlement suffers.

Increased cooperation between the government and the private sector has led to a much strengthened resettlement program. We are by no means finished with the task. At the same time, we can take satisfaction in some of the results of our work. Despite traumas of dislocation, family separation, disorientation and worse, refugees increasingly are achieving self-sufficiency and becoming an integral part of this society. Success stories abound, telling of achievements of individuals and groups of refugees and of the contribution and sacrifice made by thousands of private citizens to help the refugees' acculturation into American society.

We look forward to the challenges of the next two years. We are convinced that various models of case management and provision of transitional assistance will emerge that will strengthen the resettlement process. We all will be well served by such results, especially refugees. American is a great human mosaic continuing to welcome the suffering and the oppressed and affording them the chance to forge new lives on these shores, enriched by freedom and the limitless opportunity to achieve their potential. We are proud to play our part in this historic process.

PREPARED STATEMENT OF GREGORY L. COLER, DIRECTOR, ILLINOIS DEPARTMENT OF PUBLIC AID

Mr. Chairman and Members of the Committee, I am pleased to testify before you on behalf of Gregory L. Coler, Director of the Illinois Department of Public Aid. My testimony will be in support of H.R. 1452, the reauthorization of the Refugee Act of 1980.

As we approach the tenth anniversary of the fall of Saigon, it is appropriate that Congress reauthorize this Act, which stands as a positive legacy of the Southeast Asian refugees to all peoples seeking refuge. When I appeared before the Committee in 1980, my colleagues and I asked for the opportunity to bring order and efficacy to refugee resettlement. Now, six years later, I am pleased to say that the Act works, that through the extraordinary coordination of federal, state, and local government resources with those of the private sector, the Refugee Act of 1980 has successfully expedited the achievement of self-reliance for hundreds of thousands of refugees. Moreover, the program initiatives we have developed for refugees have led the way to new strategies for serving other disadvantaged and low-income residents.

Illinois has fully supported the humanitarian effort to resettle refugees. Since 1975, we have received nearly 50,000 persons from more than 18 different nations, including 441 unaccompanied minors. Of 10,043 three-year time eligible refugees, 3,776 persons or 37.6 percent require public cash assistance. Fifty-two percent of the caseload is children. Of 15,257 post-36 month Southeast Asian refugees, only 1,063 persons or 6.9 percent still require assistance. The 6.9 percent is well below the 10 percent dependency rate for Illinois residents.

In the hope it will be useful to you in your deliberations, I briefly note what we consider to be strengths of our system:

1. Welfare Case Management: In order to receive cash assistance a refugee must enroll in a pre-designated refugee-specific case management program. We have clear, mandated procedures for regular client-agency contact to monitor client progress, and to minimize duplication of services.

   Our voluntary agency (volag) case management contracts in Chicago provide continuity between reception and placement and longer term adjustment services.

2. Comprehensive Services: In our system, service delivery begins with a comprehensive plan to address the individual's adjustment, instruction, and employment needs. The needs are addressed simultaneously and in a coordinated fashion, with

all support services ancillary to the goal of early employment. It is our understanding that in other locales agencies use sequential service delivery designs which postpone entered employment.

By contractually coordinating services, we are able to tie services together that customarily are free-standing. For example, vocational training agencies share responsibility for job placement and thus have greater concern for the nature and quality of training.

3. Performance Requirements: In Illinois various strategies have been used to strengthen service provider accountability and effectiveness:

   a. Standardized client-based data collection assures greater accountability of staff and agency performance. It also provides a range of client/service characteristics important to agency supervision, client tracking, and overall program planning. With aggregate data collection client tracking is not possible.

   b. Coordinated training and information dissemination works toward clients getting the same "message" (i.e. early employment) from each service provider and also enables the professionalization of resettlement staff.

   c. Targeted client characteristics enable the prioritization of clients (especially those "hard to place" in jobs) and service track differentiation (addressing client need rather than treating all refugees generically).

   d. Mandated curriculum design focuses English language training and orientation activities on the employment goal. We do not fund generic English as a second langauge. We fund "Work English".

pre-employment ESL, vocational ESL, and job club/job workshop. vocational training is generally accompanied by vocational English language training.

e. Performance Standards are mandated by IDPA that provide cash bonuses for exceeding required job placement levels, cash penalties for failing, and clear definition of cause to terminate contracts.

As evidenced in Illinois and elsewhere, the Refugee Act and the Administrative support of ORR/DHHS have provided the resources state and local government require to conduct effective long-term resettlement.

To be sure, problems still exist. In particular, major issues remain unresolved in the first stage of resettlement - reception and placement. Refugee income maintenance policies for the initial resettlement period differ dramatically from one volag to another. The degree of professionalized service delivery differs from one local volag to another. It is most important that the best reception and placement takes place through local agencies with adequate administrative resources and staff. Currently the funding of reception and placement is inadequate to implement the Lungren amendment. In particular, it does not provide sufficient funding for staff, and thus no legal accountability for service delivery.

In this regard, the proposed Lungren amendment draws sharp focus on the problem and merits serious consideration. I submit, however, that the implications of the amendment require careful scrutiny before it is implemented.

If the volags are responsible for refugee income maintenance for 90 days:

- Will the federal government assure an adequate reception and placement stipend to enable successful performance?

- What are "basic needs"? Does meeting the "basic needs" include providing medical assistance? If so, at what cost and through what funding mechanism?
- Will the volags be provided with adequate reception and placement staff resources at the local level to conduct effective resettlement?
- Who will monitor the provision of case management services and equitable income maintenance?
- Can the states be assured of coordination between the reception and placement process currently under the Department of State and the ORR-funded services at HHS?
- If volags do not sustain basic needs during the first 90 days what is their liability? Will welfare systems be assured of reimbursement for those pre-90 day refugees who are eligible for assistance under state or local law?

We request that Committee discussion makes clear the intent of Congress on these issues.

In my judgement, administrative resources do not exist at the federal level, nor at the national and local volag levels to assure accountable, nationwide implementation of the Lungren amendment.

If this 90-day strategy is to be adopted, we recommend as a first step that Congress conduct a management study to determine where at the federal level reception and placement can best be administered. This question, raised by GAO in 1982 has not been directly considered. Should this domestic responsibility remain with the Department of State or be transferred to ORR? What new staffing will be required for monitoring this effort?

As GAO noted, it does not make sense for a vital segment of the domestic assistance program to be administered by a federal agency without domestic program experience and with extremely limited monitoring capacity. By the same token, we know that the states and ORR are being judged by their performance in reducing dependency rates. Yet neither the states nor ORR have any authority to hold volags accountable for performance of reception and placement grants, and that performance is critical to welfare utilization.

We recommend as a second step that careful consideration be given to the local volag requirements for effective implementation of the Lungren Amendment. It is not clear to me how additional responsibilities can be laid upon the local volags without knowing how much it will cost to be reasonably certain of success. The Chicago Resettlement Demonstration Project, about which I will entertain questions, should provide an initial test case as a point of departure.

In closing, it is clear that world conditions will require us to sustain a resettlement program for some years into the future. We know the Refugee Act will permit successful implementation. We know that 36 months of federal reimbursement for state income maintenance costs is reasonable and proper. We support the Chairman's position prohibiting block grant distribution of refugee social service funds. We know that the investment in effective refugee social services leads to reduced welfare utilization.

We ask for formal reauthorization so that we can more readily pursue further improvements, continue to serve the needs of existing refugees in a more stable atmosphere, and be prepared to address the inevitable arrival of new refugees.

On behalf of the Director Coler, I thank you for your consideration of these comments. I welcome any questions you might have.

PREPARED STATEMENT OF RACHEL RHEA, LEGISLATIVE COORDINATOR FOR INTERGOVERNMENTAL AFFAIRS, SANTA CLARA COUNTY, CA

Mr. Chairman, members of the subcommittee, I am Rachel Rhea and I am from the County Executive's Office in Santa Clara County, California. Before my current position, I was in the California state Office of Refugee Services. I am appearing on behalf of the National Association of Counties (NACo).[*] NACo strongly supports reauthorizing the Refugee Act of 1980. In my testimony, I will focus on the need for continued federal funding and the need for state and local administrators to have the flexibility to determine the most efficient, effective, and equitable methods to use these funds. These things are essential if refugee welfare dependency is to be reduced and economic self-sufficiency achieved.

THE FEDERAL BUDGET

Underlying my comments on the Refugee Act is NACo's position on the overall fiscal 1986 budget. We have adopted an across-the-board freeze, with the exception of means-tested entitlements. This policy will continue the intergovernmental partnership in reducing the deficit and meeting the critical needs of our nation's disadvantaged. NACo's policy also recognizes the need for current levels of funding to protect our ability to implement existing federal mandates. I have attached a copy of our budget policy to my testimony. This budget policy and the emphasis on maintaining current funding responsibilities and local control over program administration applies to refugee resettlement.

---

[*] THE NATIONAL ASSOCIATION OF COUNTIES IS THE ONLY NATIONAL ORGANIZATION REPRESENTING COUNTY GOVERNMENT IN THE UNITED STATES. THROUGH ITS MEMBERSHIP, URBAN, SUBURBAN AND RURAL COUNTIES JOIN TOGETHER TO BUILD EFFECTIVE, RESPONSIVE, COUNTY GOVERNMENT. THE GOALS OF THE ORGANIZATION ARE TO: IMPROVE COUNTY GOVERNMENT; SERVE AS THE NATIONAL SPOKESMAN FOR COUNTY GOVERNMENT; ACT AS A LIAISON BETWEEN THE NATION'S COUNTIES AND OTHER LEVELS OF GOVERNMENT; ACHIEVE PUBLIC UNDERSTANDING OF THE ROLE OF COUNTIES IN THE FEDERAL SYSTEM.

NACo's support for reauthorization includes the following recommendations:

1. Targeted Assistance and social services funding should be maintained at current levels and Targeted Assistance should be reauthorized for the life of the Act.
2. The provisions of the Act requiring social services funds to be focused on employment related services should be amended to restore to states and counties the flexibility to determine the most appropriate means to achieve refugee self-sufficiency.
3. Full federal reimbursement for the costs of cash and medical assistance should be continued for at least 36 months after entry.
4. The proposed provisions of the Act requiring the voluntary agencies to be responsible for the refugees for the first 90 days they are in the country should include assurances that states and counties will be fully reimbursed for any cash, medical, or social services assistance provided during that period.
5. The use of preventative health funds should be expanded to include health assessment and follow-up care for non-communicable diseases and health conditions.
6. The cost of providing support services to refugees on SSI should be paid from the SSI funds and not from refugee social services funds.

During the past 18 months the refugee situation in many counties was becoming more stable and manageable. This was due to the relative stability of social services funds, the infusion of Targeted Assistance funds, and the ability to begin to effectively coordinate and integrate refugee services. Recent actions and proposals by the Administration have caused major cutbacks in services. Since refugee admissions are a federal decision, the federal government must provide the authority and resources to state and county government to ensure the expeditious resettlement of all refugees.

TARGETED ASSISTANCE AND SOCIAL SERVICES

The Administration has proposed in the FY 86 budget to reduce the appropriated $50 million in FY 85 funds for targeted assistance by the amount of FY 84 monies which were authorized by Congress to be spent by September 30, 1985. This proposal conflicts with the FY 85 Continuing Resolution directing ORR not to reduce the allocations of FY 85 funds on the basis of 1984 funds carried over or previously committed. In addition, the Administration has proposed to reduce social services funding by 37 percent.

NACo urges that Targeted Assistance for impacted counties be reauthorized and that funding for all refugee services be maintained at the current levels and in accordance with the clearly stated intent in the Continuing Resolution. The Administration incorrectly assumes that Targeted Assistance is no longer necessary and social services funds can be reduced because of a decreased demand for services and a decline in new arrivals. This view is also inconsistent with this subcommittee's intent. Waiting lists for services continue to exist in most impacted counties. The refugees that are now being served are not only the new arrivals but also those who have been waiting years for services to be available, including secondary migrants, time-expired, and the hard-to-serve long term welfare recipients. In fact, over 50 percent of the Targeted Assistance clients in Santa Clara County have been in the U.S. for over three years.

85/15 REQUIREMENT FOR SOCIAL SERVICES

The Administration has recently implemented a 85/15 percent split of social services funds which is inconsistent with Congressional intent. This requires that 85 percent of the social services funds must be used for employment directed services and 15 percent for other necessary services. NACo agrees that the goal of these funds is to make refugees self-sufficient. But, the 85/15 requirement is arbitrary. It has fundamentally undermined the states' and the counties' abilities to administer the program and expedite refugee self-sufficiency and ignores the non-employment aspect of resettlement.

California was mandated to implement this requirement in October 1984. The impact of this requirement is the following:

- Funding for health services has been reduced 75 percent.
- Only refugees enrolled in training may receive health accessing services. Spouses, children, and other family members are ineligible. In most cases, no alternative services are available.
- All mental health and social adjustment services have been eliminated. Yet, the law specifically includes these services.
- Title XX services for refugees have been reduced by 30-40 percent.
- All services in counties with smaller refugee populations have been eliminated.
- Dismantled integrated service delivery systems.

The requirements for the 85/15 split signals ORR's abandonment of full responsibility for the costs of providing ordinary Title XX services such as child protective services and discounts the direct role that health and mental health services have in helping refugees become self-sufficient. Furthermore, it ignores the varying needs and circumstances among refugee groups, states, and localities. Effective resettlement means that the overall service needs of all refugees must be met and not just the potentially employable.

It is paradoxical that the Administration advocates reducing federal mandates and increasing local control and yet ORR has mandated just the opposite. NACo urges that Congress restore the states' and the counties' flexibility to determine which social services programs should be funded to meet the self-sufficiency needs of a variety of refugee populations. Counties, in cooperation and coordination with local service providers, industry representatives, refugee community leaders and voluntary agencies, are in the best position to determine the priority needs of their refugee population and establish in their plans the proper mix of services to be offered.

VOLUNTARY RESETTLEMENT AGENCY RESPONSIBILITY

The Administration and H.R. 1452 proposes to make the voluntary resettlement agencies legally and financially responsible for meeting needs of the refugees for the first 90 days they are in the country. NACo supports this concept and would like the following assurances:

1. State and counties will be fully reimbursed for any cash, medical or services assistance provided during the 90 day period.
2. If a refugee migrates to another state during the 90 day period, the volag continues to be legally responsible and will have the ability to transfer necessary resources from one state to another.

SSI SUPPORT SERVICES

One of the services available to refugees who receive SSI is In-Home Support Services (IHSS). IHSS enables caretakers to come into a disabled person's home and provide services. IHSS provides an alternative to very costly institutionalization. Currently, a large percentage of the cost of IHSS for refugees is paid by social services funds. In California, because the 15 percent funds used to pay IHSS are not adequate, State General Funds must be used. Currently, IHSS cost for refugees in California is approximately $4.5 million annually and it is growing at an annual rate of 10 percent. This is the fastest growing part of the refugee program. Most refugees receiving IHSS will never become self-sufficient. In California 95 percent of the refugees receiving IHSS are elderly and severely disabled. With the increased emphasis on using social services funds for employment related services, it is inappropriate to use these funds for SSI IHSS refugee recipients. In addition, since it is a federal decision to resettle refugees in need of these services, state and county funds should not be required to be used. NACo recommends that the cost of In-Home support services for refugees should be paid for SSI funds.

Mr. Chairman, this concludes my remarks. NACo looks forward to working with you and other members of Congress to secure reauthorization of the Refugee Act. I would be happy to answer any questions you may have.

NEWS

440 First Street N.W.
Washington, DC 20001
202/393-6226

NATIONAL ASSOCIATION of COUNTIES

THE NATIONAL ASSOCIATION OF COUNTIES STATEMENT

ON PROPOSALS FOR

THE FISCAL 1986 FEDERAL BUDGET

NACo
STATEMENT ON THE FISCAL 1986 BUDGET

The nation's county governments support the reduction of the federal deficit. We recognize the critical need for a long-term deficit reduction program, and we stand ready to work with the Congress and the Administration to develop such a program.

Counties have actively participated in developing a solution to the nation's fiscal problems. Since the late 1970s, the National Association of Counties (NACo) has supported cuts in certain federal domestic assistance programs and has worked with the Administration to share the burden in federal attempts to balance the national budget.

In accepting our fair share of this burden, our efforts have been guided by the Association's policy statement on decentralization, which seeks to recognize and preserve the role of general purpose local governments as the principal public service delivery unit.

We reaffirm these principles and continue to support decentralization proposals that incorporate them.

Recognizing the need of each level of government to share the burden in decreasing the national deficit, NACo supports a freeze for the fiscal year 1986 federal budget as opposed to deep cuts in individual program areas.

However, NACo maintains its position that means tested assistance programs critical to the health and welfare of the poor, sick and elderly should not be subject to a freeze.

In addition, NACo supports 1986 funding levels that protect the capacity of state and local governments to meet mandates imposed by the federal government and federal and state courts. NACo supports adjusting mandates to accommodate available funding.

Finally, NACo maintains that budget reductions must be carefully considered within the context of federal tax policy changes. Changes in federal tax expenditures or efforts to raise revenue should not preempt the tax and financing capacity of local government.

We further believe that reforms in tax policy should enhance local government revenue capacity so that counties can assume the new responsibilities generated by federal and state government decentralization and by mandates initiated by the federal and state government and the courts.

January 14, 1985

NACo 1986 Budget Priorities

Top Priorities

1. General Revenue Sharing (GRS)

NACo supports continuation of full funding of the GRS program at $4.6 billion. This funding is essential to counties in providing education, public safety, health care, and other basic services.

2. Medicaid

NACo urges that the funding mechanism be retained, with no cuts in the federal match. That will preserve the entitlement nature of the program and allow for the provision of health care based on need. Cuts in Medicaid, the only public health insurance program for the poor, further shifts costs to all counties and jeopardizes the viability of public health care facilities.

3. Community Development Block Grant (CDBG)

NACo supports current funding of $3.5 billion. More than 100 counties receive entitlement grants and hundreds more are funded through the state program. Increasing participation, rising costs, and growing demands resulting from cuts in other social programs have already impeded efforts to rehabilitate blighted neighborhoods and housing for the poor.

4. Rural Programs

Poverty, poor living conditions and economic stagnation are most pervasive in rural areas where the local tax base and revenue raising capacity are severely limited. Farm failures and the inability to attract non-farm industry as a result of a lack of facilities to support such industry creates serious problems for rural community economic self-sufficiency. Consequently, NACo supports the retention of adequate funding of those farm and development programs that encourage economic growth and stability in rural areas, including the continuation of the Small Business Administration and FmHA programs.

5. Mass Transit

NACo supports federal assistance to mass transit at approximately $4.5 billion (as authorized in the Surface Transportation Assistance Act of 1982). Urban, suburban and rural counties depend on these funds for the provision of basic transportation services to the general public and special populations. Cuts would result in increased operating costs and fare increases.

• • •

Other Priority Interests

Assisted Housing

As homelessness and overcrowding continue to increase, it is essential that the $9 billion current funding level for assisted housing be retained. Housing has already taken drastic cuts in previous budget years.

Employment Training Programs

NACo supports maintaining at least the current level of funding for jobs programs targeted to needy individuals. We therefore oppose terminating the $1.4 billion for Job Corps and funding reductions in the Dislocated Worker and National Employment and Training Programs. NACo further supports continuation of the AFDC Work Incentive (WIN) program, as the only federal support specifically for welfare recipients.

Environmental Mandates

Counties are faced with the devastating cost of hazardous waste clean-up, water pollution control, and other mandates imposed by the federal government or the courts. Funding to compensate these costs should be protected and adequate to meet the mandates.

Highways and Bridges

Although federal assistance to counties comprises a small percentage of county road and bridge budgets, it is important to maintain the existing urban and secondary road and on-and-off system bridge programs. These systems are vital to interstate commerce.

Law Enforcement

State and local governments receive a very small percentage of the current $3.5 billion Justice Department budget, yet handle 95 percent of the criminal justice workload. Most county funds are tied to fixed costs, leaving little or nothing to replicate programs of proven effectiveness. NACo strongly opposes any cuts to the Justice Assistance, Juvenile Justice, Runaway Youth, and Exploited and Missing Children programs.

Medicare

NACo supports efforts to control costs, in light of the worsening fiscal situation of Medicare's Hospital Trust Fund. However, proposed cuts would directly affect more than 1000 county public hospitals and skilled nursing facilities that are the major providers of care to the low income elderly. Reductions in payments to all providers for low income elderly shift costs to Medicaid and county budgets. Medicare cost containment proposals should take into account the special needs of public facilities serving a disproportionate share of low income elderly.

Payment-in-Lieu-of-Taxes (PILT) and National Forest Payments to Counties

NACo opposes any cuts in PILT funding, a program that minimally compensates counties for the loss of tax base from tax-exempt federal lands. Twenty-five percent of all national forest receipts go to counties for roads and schools. NACo supports continuing national forest payments under the current 25 percent program.

Welfare Administration and Penalties

Counties oppose a capped block grant for administering federal entitlement programs such as AFDC, Medicaid or food stamps since the costs of increasing caseloads would be shifted to state and local governments. More stringent error rate penalties also would shift costs of programs that are national responsibilities.

WIC

NACo supports full funding of the supplemental nutrition programs for women, infants, and children (WIC). More than 2000 county health departments administer WIC. Counties would have to supplement program cuts or drastically reduce services. In terms of health cost containment, WIC is an effective investment for reducing future outlays at all levels of government. By reducing low birth weights, infant mortality and mental retardation, each $1 spent on nutritional supplements and education (WIC) will result in a savings of $3 in future Medicaid costs.

Mr. **Mazzoli**. The subcommittee stands adjourned.

[Whereupon, at 12:20 p.m., the subcommittee was adjourned.]

APPENDIX I

Additional Statements and Correspondence

Council
of Jewish
Federations, Inc.

WASHINGTON ACTION OFFICE
227 Massachusetts Avenue, N.E.
Washington, DC 20002/202 547-0020

President
Shoshana S. Cardin
Baltimore

Vice Presidents
Mandell L. Berman
Detroit
Lois Fox
Nashville
Charles H. Goodman
Chicago
Stuart A. Handmaker
Louisville
Lawrence E. Irell
Los Angeles
John H. Loeb
New York
Alan Marcovitz
Milwaukee
Jack M. Rose
Toronto
Billie Tisch
New York
Mary Zorensky
St. Louis

Secretary
Beryl Weinstein
Waterbury

Treasurer
Edward H. Rosen
Philadelphia

Executive Vice President
Carmi Schwartz

Associate Executive Vice Presidents
Darrell D. Friedman
Charles Zibbell

Executive Vice President Emeritus
Philip Bernstein

Testimony of the

COUNCIL OF JEWISH FEDERATIONS

Submitted to the

SUBCOMMITTEE ON IMMIGRATION, REFUGEES,
AND INTERNATIONAL LAW

of the

JUDICIARY COMMITTEE

of the

HOUSE OF REPRESENTATIVES

May 1, 1985

NORTH AMERICAN HEADQUARTERS: 575 Lexington Avenue/New York, N.Y. 10022/212-751-1311

Testimony of the

COUNCIL OF JEWISH FEDERATIONS

on the

REAUTHORIZATION OF THE REFUGEE ACT OF 1980
(H.R. 1452)

This testimony is presented to ask your support for maintaining, in its current form, the Voluntary Agencies Matching Grant Program, a model of public/private partnership and the most cost effective federally assisted resettlement program. The President's budget for fiscal year 1986 requests a fifty (50) percent reduction in funding and further proposes the elimination of the program in FY 87. We find this request both puzzling and distressing.

The Council of Jewish Federations is a non-profit, national organization representing over 200 community Federations and many hundreds of affiliated Jewsih social service agencies around the country. These voluntary agencies provide family and children's services, vocational training and placement, educational programs, feeding programs, health care and myriad other services to Jews and non-Jews in need of assistance.

The resettlement of refugees is an area in which the Jewish community has a long and successful history. From the migration of Eastern European Jews in the early 1900s, to the desperate search for a home of those who escaped or somehow survived Hitler's hellfires, to the more recent emigration of Soviet and Iranian Jews seeking freedom from persecution and anti-Semitism, the Jewish community has always welcomed and assisted refugees. We always will.

In today's world, however, refugee resettlement is more complicated and more costly. Private agency resources are limited and strained by many pressing needs. The Council of Jewish Federations, its local Federations and agencies are committed to providing quality services to assist refugees in making the transition to American life and becoming productive members of the community. To this end, the Matching Grant Program has been invaluable.

Since October 1, 1978, when the Voluntary Agencies Matching Grant Program came into being, local community's affiliated with the CJF and HIAS (the international Jewish migration agency) have utilized the program to aid in the resettlement of more than 60,000 Soviet, other Eastern European, and Iranian refugees.

The Matching Grant Program is an itegrated, comprehensive alternative to the state administered programs of refugee resettlement and encompasses the following essential services: case management; employment services; maintenance assistance; English language training; employment training or recertification; health services; and acculturation services. It is a cost effective program for the federal government in several important ways.

BEST COPY AVAILABLE

1) It leverages voluntary dollars to be applied to refugee resettlement. In our case, significant dollars and in-kind match are contributed. Usually we raise $1200 to $1300 for each $1000 of government funds. Our participation in a partnership with government helps to stimulate additional voluntary giving.

2) Once within the voluntary service system, agencies like ours take extraordinary steps to keep clients permanently away from public assistance. Many of our local affiliates make maintenance assistance and case management available to refugees beyond the four month requirement of the Matching Grant Program. These additional services are paid for with private dollars.

3) The comprehensive nature of the program, with long-term as well as short-term concerns, helps to insure quality resettlement which reduces inappropriate and excessive utilization of public assistance programs by the refugee and by future generations.

In September 1982, the Office of Refugee Resettlement released the report of a study of the Matching Grant Program conducted by Lewin & Associates. The report was highly laudatory of the program in general and of the CJF component in particular. The program clearly succeeds. People are employed; they learn English; both short-term and long-term needs are addressed. In sum, the Lewin study concluded, "overall...the Matching Grant Program proves to be an effective mechanism for providing services in a manner and to a degree which would not be possible under...the state-administered program."

Because of this report, the Office of Refugee Resettlement (ORR) solicited and encouraged other organizations to participate in the program. Church World Services and the Lutheran Council are now in the middle of demonstration projects using the Matching Grant Program. They are hoping to expand their participation.

Needless to say, the President's proposal to cut in half and then eliminate entirely the Matching Grant Program came as quite a surprise to all of the voluntary agencies. At recent hearings of the Senate Appropriations Subcommittee on Labor-HHS-Education, Dr. Phillip Hawkes, Director of ORR, presented the Administration's position and then, in response to a question, praised the program as being highly successful.

A final point. It is true that the numbers of refugees coming into the United States has decreased over the past few years. We at CJF and HIAS are always hopeful that there will be an increase in the number of Soviet Jews allowed to emigrate and we must always be ready for any emergency situations. Since this is a per refugee grant, the cost of the program decreases when the numbers are low and increases when they are higher. The responsibility of the federal government to assist new arrivals does not, however, diminish. Even when numbers are small the Matching Grant Program shows the commitment of both the government and the voluntary agencies to help those who come to our shores make a home here.

We urge the members of this Subcommittee to preserve the Voluntary Agencies Matching Grant Program. The expenditure of $1000 per refugee is a modest investment for the federal government to make to insure that people who have lived under persecution and duress are able to find a hospitable home in this land of freedom.

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C.

FOR RELEASE
TUESDAY, APRIL 16, 1985

STATEMENT FOR THE RECORD
BY
NATIONAL SECURITY & INTERNATIONAL AFFAIRS DIVISION
U.S. GENERAL ACCOUNTING OFFICE
SUBMITTED TO THE
SUBCOMMITTEE ON IMMIGRATION, REFUGEES
AND INTERNATIONAL LAW
HOUSE COMMITTEE ON THE JUDICIARY
ON THE
INITIAL RECEPTION AND PLACEMENT OF REFUGEES
IN THE UNITED STATES

Mr. Chairman and Members of the Subcommittee:

We are pleased to provide you with information concerning our ongoing work on the Department of State's initial reception and placement program for refugees in the United States. The Department's Bureau for Refugee Programs has managed and administered the program since 1979. This statement contains some of the initial statistical data we have obtained during our review and some tentative observations on the Department's financial management and proposal evaluation procedures. We expect to issue a report on the program later this year. We have also included a summary of our recently completed report on the refugee transportation loan program.

BACKGROUND

Before 1961 non-profit voluntary agencies resettled refugees primarily using their own resources. With the arrival of the large numbers of Cuban refugees at intervals during the 1960's and 1970's, the federal government provided financial assistance to the voluntary agencies. When Southeast Asian refugees began arriving in large numbers in 1975, the federal government started to reimburse voluntary agencies on a continuing basis for part of the expenses incurred in resettling the refugees. The financial and program arrangements between the State Department and the voluntary agencies were very general and relatively unstructured because until that time there had been no continuous long term refugee program requiring large amounts of federal support.

Gradually, as the reception and placement program became more formal and continuous, the State Department increased its involvement in the management and oversight of the program. From simply paying voluntary agencies for each refugee entering this country in 1975, the Department now requires them to submit for review each year descriptions of their refugee resettlement program and to sign cooperative agreements stipulating the minimum services they will insure are provided to refugees. The Department also monitors the activities of selected local affiliate offices each year.

The Department, through the cooperative agreements, awards funds to voluntary agencies on a fixed per capita grant basis for the initial reception and placement of refugees. The grants are to be used to provide or refer refugees to specified services, such as food, clothing, and job counseling, during their first 90 days in the United States. The per capita rate in 1975 was $250 per European refugee and $500 per Indochinese refugee. The Department has no documentation showing the rationale or methodology originally used to establish these rates. The per capita grant amount fluctuated over the next 10 years, but changes to these amounts are not supported by an analysis of actual resettlement costs. For most of fiscal year 1984, the grant was $390 for each European refugee and $560 for each refugee from all other areas of the world. The total cost of the program in fiscal year 1984 amounted to about $36.7 million for assisting over 70,000 refugees.

In 1975, the State Department awarded per capita grants as a partial subsidy to the voluntary agencies for actual costs incurred in resettling refugees in excess of normal operating costs. The idea of the grants as partial reimbursement for costs incurred has evolved until today the Department considers the grants not only a payment for services but also a way to maintain a flexible refugee resettlement infrastructure in the private sector. The Department does not require voluntary agencies to account for total resettlement costs but only to generally report how reception and placement funds are applied.

VOLUNTARY AGENCIES' RESETTLEMENT OF REFUGEES

This section provides a brief discussion of some statistics we have gathered during our ongoing work on selected refugees arriving in April 1984 for resettlement in the United States. We need to conduct additional analysis of this data before we draw conclusions or make recommendations based on it.

The State Department's cooperative agreement requires voluntary agencies to provide sponsorship and arrange for core services to be provided refugees during their first 90 days in the United States. It contains a statement that the ultimate goal of the services performed under the agreement is to assist refugees to self-sufficiency through employment as soon as feasible after arrival in the United States. To determine on a limited basis how well this dual goal had been achieved, we reviewed 592 case files (a case file is established for each refugee or family unit) maintained by voluntary agencies for refugees arriving in April 1984 in five metropolitan areas. These areas were Chicago, Houston, Los Angeles, San Francisco, and the Northern Virginia/Washington/Baltimore corridor.

At least 92 percent of the case files in our sample indicated that the refugees received the core services of food, clothing, and shelter as stipulated in the cooperative agreements. At least 93 percent received orientation and health counseling. And 82 percent of the case files indicated that refugees received job counseling, placement, training, or assistance in finding employment.

On the employment side, our analysis showed that 721 of 930, or 77.5 percent, employable age (16-64) refugees were unemployed after 90 days in the United States; 139, or 15 percent, were employed, many in clerical, sales, or service occupations. Case files did not indicate the employment status of 70 refugees, or 7.5 percent.

Some of the employable age refugees appeared to have legitimate reasons for not having a job--reasons cited include "dependents at home," "seeking job, no offers," and "health problems." More frequently cited reasons for unemployment were "needs or is taking English as a second language training" and "needs or is taking vocational training." However, case files for some employable age refugees also cited "not aggressively seeking employment," "prefers cash assistance," "quit job," and "turned down offer" as reasons for unemployment.

We also found that 60.5 percent of the case files indicated that at least one case member had applied for cash and medical assistance and 51.5 percent had applied for food stamps.

In reviewing the 592 case files, we also gathered data on secondary migration. We saw indications that in 14.4 percent of the case files, at least one case member had left the initial resettlement area. Of those that left, about 60 percent did so in the first 60 days after arrival in the United States. The largest number left the Houston area. The primary reasons cited for leaving the initial resettlement area were to seek employment elsewhere and to join relatives and friends in California.

State Department staff are now exploring ways to counteract the high unemployment rates experienced by many refugees in some parts of the United States. One approach is the State Department's Chicago Resettlement Demonstration Project, which

-establishes a 75 percent employment goal for all employable refugees within 6 months of arrival in the United States;

-requires concentrated case management, including means to achieve self-sufficiency; and

-substantially increases the per capita award from previous years for employable age refugees to pay for food, shelter, and medical assistance or perhaps supplement an income.

This approach would allow some refugees to apply for and receive welfare soon after their arrival in the United States. With careful screening, however, welfare recipients should include only those refugees who have medical problems, are responsible for young children, or are otherwise legitimately unable to be employed. The demonstration project is funded for fiscal year 1985 and could provide useful data on ways to address the refugee unemployment problem.

FINANCIAL DATA NEEDED FOR EFFECTIVE MANAGEMENT OF RECEPTION AND PLACEMENT FUNDS

Terms of the cooperative agreement require voluntary agencies to report periodically on how they apply the reception and placement funds in resettling refugees. The reporting format is in broad categories of expenditures, such as "services to or on behalf of refugees" and "salaries and benefits." The cooperative agreement also requires voluntary agencies to adhere to certain provisions of Office of Management and Budget (OMB) Circular A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations." These provisions deal with uniform administrative requirements and include standards for financial management systems and monitoring and reporting program performance. Program and financial reports provide useful information to assist in management oversight.

Prior to late 1984, the Department did not emphasize adherence to reporting requirements. Consequently, the voluntary agencies did not always submit required reports. Our review of grant files for cooperative agreements covering the period October 1982 through February 1984 revealed that not all voluntary agencies submitted reports, and that some submitted them late or submitted them for different time periods. For example, five of the twelve voluntary agencies did not submit financial or program reports within the required timeframe for the October 1983 to February 1984 time period.

Increased Department attention in late 1984 resulted in some improvement in the submission of reports for the

March to September 1984 agreement period. Grant files for this period revealed that although only one report was received by the due date, six reports were received within 30 days after the due date and follow up letters had been sent to the voluntary agencies who had not submitted reports by that time. Only one of the 12 voluntary agencies had not submitted a financial report by the end of February 1985.

The Department's continued attention should be sufficient to obtain financial and program reports in most cases. To ensure timely submission of reports by all voluntary agencies, the Department may need to issue written guidelines which clearly define the conditions under which sanctions will be applied for non-compliance with reporting requirements. The availability and adherence to such guidelines would indicate to grantees the importance the Department places on compliance with reporting requirements.

As part of our current work, we are examining ways the Department might increase the usefulness of voluntary agency reports. For example, the Department requests voluntary agencies to report the use of State Department-furnished reception and placement funds in resettling refugees but does not require a breakdown of national office versus affiliate office costs. If such detail were available, it could be useful in evaluating voluntary agency performance and the reasonableness of overhead costs attributable to voluntary agency national offices which are charged to the reception and placement program. As another example, voluntary agencies do not now report their total resettlement costs; i. e., amount of funds received from other federal agencies or private sector contributions that are applied to refugee resettlement. With such data, the Department could better determine what percentage the federal government is paying for the initial reception and placement of refugees. This data could also provide a more objective basis than exists today for adjusting the per capita grant amounts.

PROPOSAL EVALUATION PROCEDURES

The Department in 1983 began requiring voluntary agencies to submit proposals describing their resettlement programs as a condition of funding. Program proposals and the Department's proposal review process can be valuable management tools. We stated in our March 1, 1983, report (GAO/HRD-83-15), that:

> ". . .proposals, including a description of the agencies' abilities to perform required services could be beneficial in terms of clarifying services voluntary agencies are prepared to provide using Refugee Bureau funding versus their own resources, other Federal funding, and other resources including local sponsors other than agency affiliates. Further, proposals could be used to help assess the capabilities of voluntary agencies and their affiliates in terms of the numbers of refugees they are prepared to resettle and are capable of resettling in accordance with sound placement policies."

The Department typically requests voluntary agencies to describe in their proposals

--experience in refugee resettlement,
--national network of resettlement,
--sponsorship development,
--ability to provide core services,
--ability to obtain private resources, and
--experience in coordinating with others
  involved with resettlement.

The Department then evaluates the proposals. Historically, however, the Department would request additional information from voluntary agencies until the proposals reached an acceptable level of compliance.

In a prior report[1] we concluded that the Department could improve its monitoring and oversight by establishing criteria to determine what constitutes an acceptable proposal. Subsequently, the Department included in its request for proposal those factors it uses to evaluate proposals and stated that a proposal must receive a minimum score of 70 in order to be funded. It appears, however, that these factors can be improved. The factors, as currently defined, do not provide an objective basis for determining the capability of an applicant in terms of the number of refugees it can resettle in accordance with established placement policies.

At this point, we think that the Department should be able to establish more specific standards which would permit it to consider each voluntary agency's record of program performance in annual renewals of the cooperative agreeements and determine whether an agency's continued partipation in the program is warranted. We expect to have recommendations on this matter in our forthcoming report.

STATE DEPARTMENT'S REFUGEES' TRANSPORTATION LOAN PROGRAM

We recently reported on the results of our review of the State Department's Refugees' Transportation Loan Program.[2]

---

[1] "Oversight of State Department's Refugee Reception and Placement Program" (GAO/NSIAD-83-15; September 30, 1983).

[2] "Stricter Enforcement of Refugees' Transportation Loan Repayments Needed" (GAO/NSIAD-85-56; March 8, 1985).

While the transportation loan program was founded on the premise that refugees' repayments would make it mostly self-sustaining, most refugees do not repay these loans. From the program's inception in 1951 through December 1984, only about $44 million (20 percent) of the more than $227 million loaned to refugees had been repaid. Refugees who arrived in the United States prior to 1982 signed loans totaling over $144 million, which should already have been paid in full. Additionally, at least $29 million more should have been repaid from loans issued after 1982. Considering current annual refugee admissions to the United States, without significant changes in repayment rates it will cost the State Department over $30 million annually to keep the program operational in future years.

Low repayment/collection rates resulted from two types of problems--inefficient collection methods used by the voluntary agencies and lack of enforcement. While most voluntary agencies are improving their loan collection procedures and systems, they are still experiencing problems with maintaining current billing addresses. We concluded, however, that the lack of enforcement was the primary cause of continued low repayment rates. This is due mainly to the administration of, and language in, the loan agreement. Almost half of all refugees with loans outstanding and receiving billing notices were neither making minimum payments nor requesting deferral of such payments. We concluded that if refugees' repayments of these loans are to increase sufficiently to measurably reduce the levels of future U.S. funding, loan terms and conditions must be enforced.

Further, enforcement must be the responsibility of the U.S. Government and may require changes in the language and/or administration of the loans and overall program.

We recommended that the Secretary of State, in addition to maintaining ongoing efforts to improve voluntary agency collection efforts, take specific actions either to have the delinquent debts assigned by the Intergovernmental Committee for Migration (ICM)[3] to the United States or to consider changing the nature of the program so that the loans are made by the United States to the refugees and the notes clearly show that the debt is owed to the U.S. Government.

The State Department concurred with our recommendations. It noted that while changes in the language of the loan notes could be easily accomplished, changes in the collection procedures at ICM and the voluntary agencies might require considerable time and effort to fully implement.

—— —— —— ——

We would be pleased to respond to any questions the Subcommittee might have on our completed or ongoing work on the Refugee Reception and Placement Program.

---

[3] The Intergovernmental Committee for Migration is an international organization based in Geneva, Switzerland, which holds refugee promissory notes to repay the cost of their transportation.

LUTHERAN COUNCIL IN THE USA

Department of Immigration and Refugee Services,
Division of Mission and Ministry

Lutheran Center
360 Park Avenue South
New York, NY 10010
212/532-6350
800-223-7656

April 12, 1985

The Honorable Romano Mazzoli, Chairman
Subcommittee on Immigration, Refugees and International Law
U.S. House of Representatives
Washington D.C. 20515

Dear Chairman Mazzoli:

I write to you to express our concern and bewilderment about the administration's proposal to reduce the matching grant program by half in fiscal year 1986 and to eliminate it altogether in 1987.

The matching grant program provides federal dollars of up to $1000, contingent on an equivalent match from the private sector. The goal of the program is to foster early employment and to avoid dependency on public cash assistance by newly arrived refugees for a period of four months.

LIRS became involved in the matching grant program relatively recently, in July 1984. Our experience, however, has been highly encouraging. As of February 1984, only three persons of our entire matching grant caseload have accessed public cash assistance while in the program, a rate of 2%. Similarly, we have achieved a 66% rate of full-time employment among employable refugees at the end of four months and an additional 8% part-time employment rate.

One criticism of the program has been that it has included mostly European refugees who would achieve similar employment and cash dependency rates without the program. In fact, this assumption is not borne out by European resettlement outside the program. More to the point, our program caseload includes only 16% Europeans. 57% are Indochinese and 27% are African.

We are also finding that the program is very attractive to congregations and other community groups who volunteer to sponsor refugee families. This has had the effect of increasing private sector support and involvement in the resettlement of refugees.

We are puzzled, therefore, that the administration is seeking to cut this small program which is achieving precisely what the administration desires: extremely low cash assistance use; high employment rates; and considerable private sector commitment both in dollars and services. Furthermore, the total cost of the program, $4 million, is very small. It seems likely that without the program the cost to the public in terms of increased cash assistance usage and lost tax revenues would be far greater.

We feel strongly that this successful program, a viable alternative to the use of costly welfare mechanisms, should not be a target for elimination at this time.

Thank you for your immediate attention to this important issue.

Donald H. Larsen

The Rev. Dr. Donald H. Larsen
Director, Lutheran Immigration and Refugee Service

cc: Philip Hawkes

DHL:zs

A COOPERATIVE AGENCY OF THE AMERICAN LUTHERAN CHURCH, ASSOCIATION OF EVANGELICAL LUTHERAN CHURCHES, LATVIAN EVANGELICAL LUTHERAN CHURCH IN AMERICA, LUTHERAN CHURCH IN AMERICA AND LUTHERAN CHURCH-MISSOURI SYNOD

National Governors' Association

John Carlin
Governor of Kansas
Chairman

Raymond C. Scheppach
Executive Director

May 1, 1985

The Honorable Romano L. Mazzoli
Chairman
Subcommittee on Immigration, Refugees,
 and International Law
2137 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

I understand that your Subcommittee is scheduled to mark up the reauthorization of the Refugee Act (H.R.1452) on May 7. The National Governors' Association (NGA) has supported and will continue to support the domestic resettlement of refugees as defined by the Refugee Act. However, the Governors feel strongly that the federal government has a fiscal responsibility to assist state and local governments in meeting the costs associated with resettlement.

The Refugee Act of 1980 established a comprehensive domestic resettlement program and provided for federal funding in a number of critical areas. In addition, the requirements added by the 1982 amendments to the Refugee Act are having some positive effects on the refugee program. Because we believe that the language of the current Act clearly recognizes that the decision to admit refugees is a federal decision which carries with it a firm commitment for federal financial support, the NGA supports reauthorization of the Refugee Act without major changes.

The Governors do support the amendments proposed by the Subcommittee, which (1) prohibit the use of block or consolidated grants for refugee and entrant programs; (2) provide assistance to states and localities in offsetting costs associated with the incarceration of Mariel Cubans; and (3) provide funding authorization for targeted assistance project grants. We believe that these amendments are important and necessary because states and localities have no control either over the number of refugees initially resettled or over secondary migration of refugees into a state. A block grant program could not provide sufficient assistance to states to allow them to meet the needs of any unexpected new arrivals. The targeted assistance program could provide needed assistance for localities to deal with refugees' needs as a result of unexpected secondary migration or new arrivals of refugees. Compensation for state and local costs incurred for incarcerating Mariel Cubans is critical as these costs are the result of federal decisions.

We also support the Subcommittee amendment providing specific funding authorization for social service programs. It is our understanding that the Administration is proposing a single authorization for overall refugee program funding without specific authorization for social service programs. Adequate funding for language and employment training programs for refugees is an appropriate and fundamental means to assist the refugees to become self-sufficient as soon as possible. In the past several years, there have been constant problems of funding delay, withholding and reprogramming of social service programs. We request that your Subcommittee consider an amendment to ensure that specific funding is provided for social service programs as defined in the existing statute so that funds are not arbitrarily withheld or reprogrammed by the federal government.

While coordination between the public and private resettlement agencies has improved as a result of the 1982 amendments, Governors are still concerned about the lack of adequate and meaningful consultation between the federal agencies and the states in the initial resettlement of refugees to states. The current Act does not require the State Department — the federal agency that administered the initial refugee reception and placement program — to consult with states on a regular basis with regard to the initial placement and equitable distribution of refugees to the states. States are still experiencing problems resulting from unexpected new arrivals of refugees. The NGA would support an amendment that would require the State Department to develop a mechanism to consult with states, so that there will be better integration of the reception and placement program activities with the state-administered resettlement programs within the states.

The NGA is very concerned about the Subcommittee amendment which would require the voluntary agency to be legally and financially responsible in meeting the basic needs of refugees in their first 90-days in the United States. It is our understanding that the Administration has proposed additional revision of this amendment which would disqualify all refugees from cash assistance eligibility for the first 90 days.

While the federal government can disqualify refugees from eligibility for federal programs, it is not clear that state and local governments can, under the federal and state constitutions, discriminate among classes of individuals who reside within their borders. Under these provisions it appears that those states and localities with general assistance programs would not be reimbursed for the unavoidable costs associated with assisting refugees during the first 90 days. We believe that the intent of the Refugee Act which requires full federal reimbursement to states and localities for costs incurred in providing cash assistance to refugees at any time during the first three years in the United States. As a result, we would strongly oppose any amendment that would shift the interim federal financial assistance of refugees to states and localities.

Finally, we would oppose any legislative proposal that would mandate that the voluntary agencies have the primary role for case management at the local level. While we support the concept of exploring alternative service delivery mechanism, we believe that a major restructuring at this time is inappropriate. First of all, voluntary agencies differ in philosophies, methods of resettlement, and organizational structures. Their performance and ability to provide effective case management for refugees also vary. Case management systems require very intensive staff support. In many states, voluntary agencies do not have local offices or sufficient resources to meet such obligations. In some states, public agencies and other non-profit private organizations such as the refugees' mutual assistance associations have provided effective case management to refugees. We do not believe any alternative mechanism should be made exclusive to the voluntary agencies. The institution of any nationwide alternative interim-support system should be deferred pending a careful examination of the capacity and resources of voluntary agencies to carry out such an intensive case-by-case management system.

In closing, the National Governors' Association would urge the Subcommittee to reaffirm the federal commitment in refugee resettlement. It is imperative that consideration of any alternative funding mechanism or program change not lead to the reduction or limitation of the federal commitment to assist state and local governments in addressing the impact of refugee resettlement. Within this very important context, the Governors are most anxious to work constructively with Congress and the Administration in seeking ways to improve the refugee resettlement program.

With warm regards,

Bob Graham

Governor Bob Graham, Chairman
NGA Task Force on Immigration
and Refugee Issues

NATIONAL
ASSOCIATION
of
COUNTIES

440 First St. NW, Washington, DC 20001
202/393-6226

May 3, 1985

The Honorable Romano L. Mazzoli
Chairman
Subcommittee on Immigration,
Refugees, and International Law
2137 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

As you prepare to mark up the Refugee Act (H.R. 1452), I want to re-emphasize this Association's support for reauthorization and highlight the provisions of particular importance to us.

NACo continues to support the Refugee Act's clear recognition that national refugee policy includes federal responsibility for costs of refugee assistance for at least the first 36 months in the United States. That commitment must be maintained. In this context, we support the line-item authorization for targeted assistance project grants as an important program for those counties with a large population of refugees. This funding is necessary to ensure that counties can continue to respond appropriately to the effects of secondary migration and the challenges of the special needs of refugees who are not self-sufficient.

We also support providing specific funding for social services and would oppose any amendments to provide a single authorization for overall refugee program funding. Our April 17 testimony also pointed to our opposition to the arbitrary mandate by the Office of Refugee Resettlement requiring that 85 percent of social services funding be allocated to employment related services. We would support an amendment to H.R. 1452 which reaffirms the intended flexibility of that funding to enable local service providers to deliver important non-employment services, including health and mental health.

NACo also supports the bill's prohibition on block granting refugee programs. A consolidated grant could effectively shift the costs of the federal refugee program to state and county governments and may generate political conflicts within a state over the allocation of the block grant.

NACo supports the concept of the amendment to require the voluntary agencies to be responsible for refugees during their first 90 days in the United States. However, there are many policy questions about implementing this alternative service delivery system. At this time, we would support an amendment that would provide for demonstration projects to test the approach but would oppose any amendments making refugees ineligible for cash assistance during that period. Our concern is that counties would be required to bear the costs of emergency or general assistance required during this period, if the voluntary agency system somehow fails, as is likely in the event of secondary migration without notification to the sponsoring agency.

County officials also continue to be concerned about the relative lack of consultation between the federal government, voluntary resettlement agencies and state and local governments. We support measures to strengthen those mechanisms.

Thank you for considering our views. We look forward to continuing to work with the Subcommittee as the reauthorization bill moves through Congress. If you have any questions about our positions, please call Tom Joseph, legislative representative for immigration and refugee issues.

Sincerely,

Matthew B. Coffey
Executive Director

MBC:sp

INTERNATIONAL
RESCUE
COMMITTEE, INC.

IRC

CABLE INTERRESCUE NEW YORK
TELEX [illegible]

[illegible] PARK AVENUE SOUTH • NEW YORK, NEW YORK [illegible] • TEL (212) [illegible]

LEO CHERNE
Chairman
ANGIER BIDDLE DUKE
Honorary Chairman
JOHN C. WHITEHEAD
President
JAMES T. SHERWIN
Chairman, Executive Committee
WILLIAM FITELSON
Chairman, Planning Committee
RICHARD M. HAMMER
Chairman, Finance Committee, Treasurer
GARRETT G. ACKERSON, JR.
Vice President Europe
RALPH M. BARUCH
Vice President
MORTON I. HAMBURG
Vice President & General Counsel
CECIL B. LYON
Vice President
BAYARD RUSTIN
Vice President
MRS. LAWRENCE COPLEY THAW
Vice President
LIV ULLMANN
Vice President
EDWIN J. WESELY
Vice President
MRS. ANDREW GOODMAN
Secretary
CHARLES STERNBERG
Executive Director
ALTON KASTNER
Deputy Director
ROBERT P. DE VECCHI
Deputy Director Operations
DANIEL L. WEINER, M.D.
Medical Programs

BOARD OF DIRECTORS
THE OFFICERS AND
[illegible]

May 3, 1985

The Honorable Peter Rodino, Chairman
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

RECEIVED

JUDICIARY COMMITTEE

Dear Congressman:

I am writing you concerning the proposed reduction in the Office of Refugee Resettlement's Matching Grant Program for FY 1986. Given the stated goal of the current refugee program of early employment, and the success of the Matching Grant in achieving that goal, we question the wisdom of the proposed reduction.

Under the Matching Grant refugees are kept off public assistance and provided with interim support, often for four months or longer, while receiving intensive employment counselling from Matching Grant funded job development and referral services. The program requires a minimum $1,000 of private voluntary agency support for every $1,000 of Federal dollars. Often, the private sector contribution is significantly higher.

We have noted a marked improvement in the levels of employment among refugees in a number of locations where the Matching Grant program is in operation. This can in large part be attributed to the success of the Matching Grant Program. We would also note that not only has the program further enabled refugees to achieve rapid self-sufficiency, but it has also maximized the effect of private and public dollars in working towards this goal.

We have found the program to be of great assistance in enhancing our ability to provide early employment opportunities and prevent dependence upon public assistance among refugees. We would contend that at a time when numerous innovative approaches to achieving early refugee self-sufficiency are being examined, it makes little sense to phase out a proven and cost-effective program.

For these reasons we strongly urge that you support the continuation of the Matching Grant Program at its current level of funding in the coming fiscal year.

Sincerely,

Robert P. DeVecchi
Executive Director

RPD:jc

OVERSEAS OFFICES [illegible]

Contributions to the International Rescue Committee are tax deductible

APPENDIX II

ANSWERS TO SUPPLEMENTAL QUESTIONS

UNITED STATES COORDINATOR
FOR REFUGEE AFFAIRS
WASHINGTON, D.C. 20520

21 April 1985

Dear Mr. Chairman:

I am returning to you my responses to questions posed by your Subcommittee relating to last Wednesday's Hearing on the Reauthorization of the Refugee Act, H.R. 1452.

Sincerely,

Gene

H. Eugene Douglas
Ambassador at Large

Enclosure:

Questions and Answers relating to Hearing on Reauthorization of the Refugee Act

The Honorable
Romano L. Mazzoli,
Chairman,
Subcommittee on Immigration,
Refugees, and International Law.

Q: You were recently quoted in a Merced County newspaper article that "our observation after 10 years in Indochina is that for the billions of dollars, too much has gone into the round-eyed organizations. . .and not getting down to the refugees" and that programs like ESL are not working well. Is this a correct statement of your views? If so, on what observations are the comments based and what would be your recommendations to improve the program?

A: The Merced newspaper article touches on two of my major concerns: (a) building leadership among the American Indochinese refugee population, i.e., "dollars. . .not getting down to the refugees," and (b) teaching English to U.S. bound refugees.

First, a word about what I was doing in Merced, California, because the newspaper comments are likely to be understood better in that context. I set aside a week to visit the Highland Lao communities between San Francisco and Los Angeles. My staff asked the refugees, themselves, to organize the visit, decide where I went, who I talked to, etc. This was my second visit. There were to be no meetings with state or local officials unless the Highlanders advised us otherwise. Merced was an exception. Refugee organizations there believed a meeting with the Board of Supervisors was indespensable.

By that time, I had already seen three communities where the Highland Lao were struggling mightily against hopelessness with clearly inadequate resources and outside assistance. Most had moved once or twice before coming to the Central Valley. Most had only the most fragmentary English language ability. I was deeply moved by their situation, their need for help, and by the key role that their own Mutual Assistance Associations (MAA's) play in progress toward self-sufficiency.

It is my view that too little of Refugee Resettlement Funds has been dedicated to the Indochinese MAA's. The national refugee program still acts too much "for" the refugees rather than "through" the refugees and their organizations. There are capable MAA's already. Others could grow stronger if they were backstopped by a voluntary agency which remained well in the background. Like the rest of us, the emerging refugee leadership must try their wings. They must be permitted to try, and to fail, with help waiting on the sidelines.

When the Merced County officials explained all that they were doing for the Highland Lao, I responded that we should be more conscious of building up the MAA's and Indochinese American leadership. The voluntary agencies have an opportunity to demonstrate a new phase of their concern for refugee self-sufficiency by stepping back from applying for Targetted Assistance and other funds for themselves, unless they apply in partnership with refugee organizations.

On the issue of English language skills, the teaching of English cannot be separated from the learning accomplished by the student. To express dissatisfaction with our ESL program success to date does not deny the successes we have had. Indeed, we have made considerable improvement over the past several years. But English language ability is too important not to keep trying. The voluntary agencies should be the first to demand improvement in the rudimentary English competency of an arriving refugee. How can a sponsor succeed in helping a refugee attain the earliest self-sufficiency if the refugee cannot speak English? One doesn't need an expensive outside study or a GAO report to know that English skills are important to live in America.

Although I am not an educator, there are enough problems apparent -- even to the causal observer -- to indicate that a program review and greater oversight is needed. It will clear the air, if nothing else. In addition to low performance expectations placed upon refugees in these programs, I believe we have problems in the administering of language ability testing. Since refugees are not held to any language standard in order to emigrate to the United States, there is too often little incentive to take the program as seriously as it should be taken.

Q: Is greater coordination in the formulation of a resettlement program needed? If so, how would you achieve that coordination?

A: Policy's ability to influence budget direction is central to a more cohesive domestic resettlement program. The Coordinator's Office has played a relatively weak role in these areas due to the fact that programs are funded directly through the budgets of Cabinet Departments apart from the mechanism of the Senior Interagency Working Group (SIG) on Refugee Policy. Greater coordination of the resettlement program could be accomplished by strenghtening the budgetary input of the Senior Interagency Working Group on Refugees and its oversight of important cross-department issues such as voluntary agency performance.

Q: What is your role in the determinaton of refugee admissions? When do you begin the process of determining refugee admissions? Would consultation with Congress at that point be more meaningful in light of the statutory mandate for consultation?

A: The Coordinator's Office plays the central and guiding role in determining the recommendations to the President on annual refugee admissions. The Senior Interagency Group on Refugee Policy is our key instrument in managing the process which usually begins in April and terminates in late-summer.

I believe that the process has worked well over the past three years and see no benefit in injecting a new preliminary Congressional mini-Consultation into the procedures.

Q: You stated in your Testimony before this Subcommittee in April of 1982 your objective was to coordinate so well as to eliminate the need for a Coordinator's Office. Are you approaching that objective?

A: The United States accomplished the relief and resettlement of refugees before there was a U.S. Coordinator for Refugee Affairs. I am quite confident that we could do so again.

I believe we have made respectable progress, although less than I had hoped, in coordinating the various Department and agency activities dealing with refugee issues. There is evidence of this in comments from the Departments, from attitudes in the Congress, and in recent criticism by a refugee lobbying group that domestic policy is now dominant over foreign policy concerns -- a reversal of criticism several years ago. In my own view, I do not think either domestic or foreign concerns dominate. Rather, I think the past paramountcy of foreign policy considerations was so great that the new balance between foreign and domestic seems more dramatic.

Absent a strong Coordinator's Office and given a continuing turbulent world refugee situation, the traditional strength of the State Department would surely reassert itself. I make no value judgment on this point. It is for the Congress and the President to determine what is best.

Q: You also stated in your Testimony at that time that you consider yourself as being from the White House and that you were close to a move from State Department to offices in the White House. What happended to prevent such a move and what efforts have you made recently to relocate in the White House?

A: Bureaucratic inertia, and my own sense of priorities, have combined to stall such a move.

I continue to believe that the interests of a sound, national refugee policy would best be served if the Coordinator's Office were placed de facto as well as de jure within the Executive Office of the President, rather than tenanted in any of the separate agencies involved in refugee affairs. I look to the Office of the U.S. Special Trade Representative as an example.

Q: Do you feel the mandate of the Office should be changed and, if so, how?

A: The mandate of the Coordinator's Office could be better discharged if the Senior Interagency Working Group for Refugee Policy had greater impact on budgetary questions. It also seems advisable to have a two-track oversight of the private voluntary agencies -- by the Coordinator's Office, as well as by the State Department and HHS on their specific programs.

Q: Currently, the State Department provides a flat rate per capita grant. Why shouldn't the VOLAG's be required to engage in competitive bidding for the grants? That is to say, why shouldn't refugee allocations go only to those VOLAG's that can resettle at the lowest cost?

A: The key to the national resettlement program is not the dollar amount expended -- whether through the R&P Grant or other activities -- but the end result with the refugees themselves. If the refugee is self-sufficient, and on the way to a stable future, then we are successful. I doubt that we could manage a competitive low-cost bidding process which did not create more problems than it solved.

We need to arrive at new standards for VOLAG program performance. The voluntary agencies, speaking through INTERACTION, seem interested in pursuing this matter. The Administration intends to do so.

United States Department of State

Washington, D.C. 20520

MAY 3 1985

Dear Mr. Chairman:

Answers are enclosed to the questions you submitted to Mr. James N. Purcell, Jr., Director of the Bureau for Refugee Programs, with your letter of April 18. It is our understanding that these questions and answers will be made part of the record of the April 17 hearing of the House Judiciary Subcommittee on Immigration, Refugees and International Law dealing with the reauthorization of the Refugee Act of 1980.

I am also enclosing two questions and answers on the Amerasian Subprogram of the Orderly Departure Program. These questions were asked during the hearing on April 17, but were not included in the list of 25 questions sent to Mr. Purcell on April 18.

With best wishes,

Sincerely,

Wm Ball

William L. Ball, III
Assistant Secretary
Legislative and Intergovernmental Affairs

Enclosure: Questions and Answers

The Honorable
Romano L. Mazzoli, Chairman,
Subcommittee on Immigration,
Refugees, and International Law,
Committee on the Judiciary,
House of Representatives.

1. WHAT RESULTS HAVE BEEN ACHIEVED TO DATE ON THIS PROJECT?

The Chicago Resettlement Demonstration Project represents a coordinated initiative of all six national voluntary agencies which resettle significant numbers of refugees in Chicago. Their efforts to unite and cooperate to test a common approach -- accepting uniform objectives, service requirements and performance standards -- is a first result which lends significance to the demonstration. The initial results in the area of job placements are encouraging (see Question 3, below), although it is too early to assess the longer term effect on welfare utilization. Another new feature in the project design is the use of privately purchased medical insurance in an attempt to remove one barrier to refugees' accepting entry-level jobs. The establishment of a comprehensive data collection system, which will, inter alia, permit the documentation of the actual costs of initial resettlement services, is another valuable element in the project.

2. WILL THERE BE AN INDEPENDENT EVALUATION OF THIS PROJECT? IF SO, WHEN WILL IT BE COMPLETED?

To evaluate the demonstration project, the Bureau will contract with an independent evaluator. We plan for the evaluator to commence work on or about September 1, as six-month data becomes available on the cohort comprising the first three months' arrivals. We will be pleased to provide the results of this initial evaluation to the Subcommittee when it is completed in the fall.

3. THIS PROJECT IS INTENDED TO TEST WHETHER INTENSIVE SERVICES DELIVERY AND CASE MANAGEMENT DURING THE FIRST 6 MONTHS IMPROVED THE POSSIBILITY OF EARLY EMPLOYMENT. HAS THIS PROVEN TO BE THE CASE?

Under the Chicago demonstration project, the objective of the voluntary agencies is to place 75% of the employable refugees in jobs within a six month period. Although the first month's (November's) arrivals will only complete the service period next month, the preliminary results are encouraging: after four months in the U.S. 34 of 60 employables had been placed (56%). For December's arrivals, after three months in the U.S. 26 of 58 employables had been placed (44%).

4. WHAT IS THE PER CAPITA AVERAGE COST FOR RESETTLEMENT UNDER THIS PROJECT?

The per capita average cost ceiling for Bureau funding is $1350. The additional funds put into the project by the voluntary agencies will also be documented.

5. WILL THE DEPARTMENT MOVE FORWARD TO IMPLEMENT ITS VERSION OF THE LUNGREN AMENDMENT REGARDLESS OF THE PROGRESS OF THIS LEGISLATION?

The Department's Budget Request for FY 1986 includes an amount of $19.4 million for the purpose of implementing the essential element of the Lungren Amendment: the requirement that voluntary agencies provide for the basic needs of refugees for 90 days in order that they not receive public cash assistance during this period. A corresponding reduction has been made in the FY 1986 Budget Request of HHS. Subject to Congressional action on these Appropriations requests, the Department could proceed to implement this requirement under existing legislative authority. However, the Department will not do so if there is a clear indication of Congressional interest in directing the use of federal funds in this area. In particular, the Subcommittee will have noted the provision of the State Department Authorization Bill, H.R. 2068, Section 108, which would restrict the Department's use of funds for reception and placement grants. Although the Department is seeking the deletion of this provision, we would not proceed to implement new program requirements while this issue is still being debated within the Congress.

6. WHAT FUNDS WILL BE REQUIRED TO IMPLEMENT THE LUNGREN AMENDMENT?

The Department has requested $19.4 million for FY 1986 in order to implement the Lungren Amendment. For an estimated admissions level of 68,000 refugees, this level of funding would provide the per capita equivalent of $290 (rounded).

7. WHAT LEVEL OF RECEPTION & PLACEMENT GRANT IS ANTICIPATED FOR VOLAGS UNDER THE LUNGREN AMENDMENT? WILL IT BE SUFFICIENT?

Added to the budgeted level of $600 per capita for the continuation of the current Reception and Placement program, the $290 per capita for the additional requirements of the Lungren Amendment would provide a total per capita average of $890 per capita. Recognizing the variance in living costs and AFDC benefit levels by state and by family size, the Department believes that our

FY 1986 request is sufficient to enable the voluntary agencies to accomplish the full list of service requirements, including basic needs support for 90 days.

8. DOES YOUR BUREAU SHARE THE VIEWS OF ORR, THE COORDINATOR, AND OMB ON THE LUNGREN AMENDMENT?

The Bureau, the U.S. Coordinator, ORR, and OMB have all participated in extensive review of the Lungren Amendment and possible alternatives. We believe that the Administration bill which emerged as the product of this joint consideration would provide the most practical and effective approach to this complex problem, consistent with the objectives of the Subcommittee and with the program management requirements of the public and private implementing agencies.

9. WHEN WILL NEGOTIATIONS BEGIN TO CARRY OUT THE LUNGREN AMENDMENT IN THE FORM OF A REVISED COOPERATIVE AGREEMENT?

With reference to question 5, above, the Bureau will not attempt to engage the voluntary agencies in negotiations on revised service requirements while the issue is being actively debated in the Congress. When the new direction becomes clear, it will be incumbent upon both the Bureau and the voluntary agencies to understand and plan for the implementation of the new requirements as far in advance as possible of the effective date.

10. PLEASE INDICATE WHAT LEVEL OF RESOURCES IN PERSONNEL ARE CURRENTLY BEING APPLIED TO THE MONITORING OF VOLAGS ACTIVITIES UNDER THEIR R&P GRANTS.

The Bureau's monitoring function is carried out by the Office of Reception and Placement, which has three officer positions and one secretary. To augment this permanent staff, the Bureau has allocated one PIT officer position to this Office, and we regularly employ retired annuitants to complete the three or four person monitoring teams. On occasion, an officer from elsewhere in the Bureau has joined a monitoring team.

11. IS MORE PERSONNEL NEEDED FOR THIS REASON? IF SO, HOW MANY MORE PEOPLE WOULD BE NEEDED TO DO A BETTER MONITORING JOB? SHOULD THIS FUNCTION BE TRANSFERRED TO ORR? IF A TRANSFER IS NOT DEEMED APPROPRIATE, CAN ORR AND ITS REGIONAL OFFICES ASSIST IN THESE MONITORING ACTIVITIES? SHOULD THEY?

Current personnel resources have allowed the Bureau to monitor the Reception and Placement programs in 20 locations in all major resettlement states. For FY 1985, and previously, we had sought two additional permanent officer positions from the Congress, unsuccessfully, as we believe that the importance of the program management responsibility should be reflected in authorized positions rather than covered through temporary employment arrangements.

For FY 1986 the Department is seeking one additional officer position to enable us to better fulfill the responsibilities delineated in the Congressional Report on the 1982 Amendments to the Refugee Act. This request, which would bring the complement of the Reception and Placement Office to four permanent officer positions, contemplates a monitoring program of approximately 12 one-week site visits per year.

Should the Lungren Amendment or its equivalent come into effect, there is a potential need for expanded program and financial monitoring. For example, to double the current, projected FY 1986 level of program monitoring (to 24 site visits) and to add a new component of financial monitoring, the Bureau estimates that the staff requirement would be an additional two officer positions in the Office of the Comptroller and four officers and two secretaries for the Office of Reception and Placement.

The Bureau does not believe that it would be appropriate to involve an office of HHS in the monitoring of a Department of State program, nor, as far as we understand, would ORR have available personnel resources for this purpose.

12. ARE YOU SATISFIED WITH THE PROGRESS OF THE ODP PROGRAM?

Although the United States is not fully satisfied with all aspects of the Orderly Departure Program, it is satisfied with the generally positive direction the program has taken, as well as with the SRV's responsiveness to many, if not most, of the initiatives the United States has taken to improve the program.

The Orderly Departure Program is complex and difficult to administer, particularly in light of the fact that contacts between the United States and the Socialist Republic of Vietnam, because there are no diplomatic or consular relations, must usually be conducted through an intermediary, the United Nations High Commissioner for Refugees (UNHCR). The program has serious shortcomings from the U.S. point of view -- most notably the total lack of progress, despite repeated U.S. overtures, regarding the release of "re-education camp" inmates who have been imprisoned because of their former contact with the U.S. or the former South Vietnamese government, and the slow rate at which other groups of particular humanitarian concern to the United States, such as Amerasian children and their family members, have been permitted to leave Vietnam.

Nevertheless, the number of qualified Vietnamese who have been able to depart for the United States through ODP has continued to rise dramatically:

DEPARTURES VIA BANGKOK TO THE U.S. THROUGH ODP

FY80-81	2,473
FY82	3,924
FY83	6,725
FY84	12,818
FY85 (thru 3/31)	6,381

Well over one-third of those departing Vietnam through the ODP are immigrant visa holders rather than refugees. Some are even U.S. citizens.

13. SOME RECENT REPORTS INDICATE THAT SEVERAL FLIGHTS IN JANUARY WERE CANCELLED BECAUSE OF AN OUTBREAK OF CONJUNCTIVITIS (PINK EYE). WHAT OTHER MEDICAL PROBLEMS HAVE BEEN EXPERIENCED WITH THE ODP PROGRAM?

Two consecutive ODP flights in December 1984 and January 1985 carried several persons who were diagnosed as having conjunctivitis upon their arrival in Bangkok. All passengers on these flights were quarantined in the ODP transit facility in Bangkok until they were determined to be non-contagious. For lack of space in the facility during the quarantine period, three subsequent flights were cancelled, and manifested passengers departed Vietnam later.

Because of inadequate pre-flight screening of departing ODP passengers by Vietnamese medical officials, a few people on nearly every flight arriving in Bangkok have been unable to travel onward immediately because of medical conditions, usually communicable diseases, that had not been detected. Recently, with U.S. support, the UNHCR and the Intergovernmental Committee for Migration (ICM) have arranged with the SRV authorities for an ICM contract nurse to maintain more comprehensive medical files on participants in the U.S. ODP program, for two qualified Vietnamese physicians to conduct more stringent pre-flight examinations, and for ICM international staff physicians to visit Vietnam to consult on the results of the pre-flight exams. Vietnamese officials have been reasonably supportive of these new measures.

In addition, ICM is currently, in cooperation with the U.S. Public Health Service and the Centers for Disease Control, conducting duplicate medical examinations of all ODP participants who arrive in Bangkok as a baseline study to evaluate the new procedures in Vietnam.

14. ARE ALL ODP CASES NOW BEING CHANNELLED THROUGH THE RPC AT BATAAN?

More than one-third of the people who depart Vietnam for the United States through ODP do so as non-refugees, i.e., as U.S. citizens, immigrant or non-immigrant (fiancee) visa holders, or on humanitarian parole. These people are not eligible for the English-as-a-Second-Language and Cultural Orientation (ESL/CO) program at the Philippine Refugee Processing Center.

Those who depart as refugees are subject to the same policy as all other Southeast Asian refugees. If they are a member of a family group which includes refugees between the ages of 16 and 55, they are normally assigned to an RPC. All ODP refugees are assigned to the PRPC at Bataan. Except in special cases, all refugees between 16 and 55 take an intensive course of up to six months in ESL/CO. While at the RPC, all refugees receive remedial medical and dental care as well as other social services.

15. SOME HAVE QUESTIONED WHETHER IT IS LEGAL AND/OR PROPER TO REQUIRE THE BENEFICIARY OF AN APPROVED IMMIGRATION PETITION TO REMAIN THERE (RPC) FOR 6 MONTHS. PLEASE COMMENT.

Persons who depart Vietnam through ODP with an immigrant visa are not eligible for the six-month ESL/CO program at the Philippine Refugee Processing Center. There are, however, some people who are beneficiaries of an approved visa petition who are nonetheless given refugee status when they leave Vietnam. These people would normally qualify for an immigrant visa in a "non-current" preference, i.e., a preference where there is a long waiting list.

Since the inception of the unique Orderly Departure Program, it has been felt that it would be unfair to require someone who can leave to wait in Vietnam for his place on the visa waiting list to be reached. This is particularly true in common family reunification cases, where, for example, an American citizen's parents can leave on a non-quota immigrant visa, but the citizen's accompanying adult brothers and sisters would otherwise need to wait several years to receive their fifth-preference visas.

There are no diplomatic nor consular relations between the United States and the SRV. The ODP remains a unique combination of a refugee program and an immigration program. One of the primary purposes of the ODP is to provide a safe way for people with ties to the United States to leave Vietnam without undertaking an arduous and dangerous clandestine route. Under the circumstances, we believe it is desirable to allow qualified persons to leave Vietnam as refugees even though they might also qualify -- eventually -- for a low-preference immigrant visa. Thus classified as participants in the U.S. refugee program, it is legal and proper to require them to participate in ESL/CO training before they enter the United States.

16. PROBLEMS HAVE ALSO ARISEN WITH REGARD TO PROVIDING DOMESTIC BENEFITS TO ODP CASES, BUT DENYING SIMILAR BENEFITS TO IMMIGRATION CASES PROCESSED UNDER ODP. HAS THIS DISPARITY IN TREATMENT BECOME A SERIOUS PROBLEM? IF SO, IS LEGISLATION NEEDED TO RECTIFY IT? WOULD THE DEPARTMENT SUPPORT SUCH LEGISLATION?

> The different legal status of refugees and immigrants arriving together through the ODP (and frequently within a single extended family group) is sometimes a problem -- particularly in respect of ORR-funded, local social service or health service programs. This is often offset in the minds of the family by other advantages, such as quicker family reunification, since immigrants do not receive the ESL/CO course at Bataan before they come to the U.S. All three affected Departments are alert for ideas, including the possibility of new legislation, which might alleviate the problem.

17. THE SUBCOMMITTEE HAS RECEIVED COMPLAINTS CONCERNING THE OPERATIONS AND CONDITIONS IN THE PROCESSING CENTER IN BATAAN AND ITS EFFICACY IN INSTRUCTING THE ENGLISH LANGUAGE AND CULTURAL ORIENTATION. HOW DO YOU RESPOND TO THESE COMPLAINTS?

Operations and Conditions in the processing center in Bataan.

> The Philippines Refugee Processing Center (PRPC) is now five years old. While the population is now being maintained at an average of below 17,000 refugees, the total of 156,200 residents over the years has taken its toll on infrastructure. Current and next year's UNHCR budgets provide for major rebuilding and upgrading to make the camp viable for an additional ten years. A two-million dollar renovation program is underway to improve and upgrade the washing and toilet areas, billets, and walkways. The camps, systems and programs are basically well-run, with internal and UNHCR or multilateral pressures for improvement applied and accepted by the camp administration when necessary.

> It is neither possible, nor is it necessarily desirable, to attempt to create first world conditions in a refugee camp in a developing country, and attempts to superficially reproduce U.S. living conditions for refugees would certainly offend the surrounding local community. Refugees receive adequate shelter and food as well as medical services.

In December of 1982, representatives of the Governments of Japan, the Philippines, the United States, and the UNHCR signed a Memorandum of Understanding to strengthen and improve facilities at Bataan, particularly with regard to improved health services. These facilities have been in place for over a year.

Many of the suggested changes of the tri-partite health assessment team have been implemented. Japanese medical technicians expedite in-processing physicals in modern examining rooms provided by Japan.

The number of cases of seriously malnourished children has declined with improvements in the assessment and maintenance of malnourished children as a result of the initiative to improve health facilities at Bataan.

Prosthetic limbs are now provided at Bataan with UNHCR funds, and the Government of Japan has contributed a new physical therapy room to complement the prosthetic service.

Eyeglasses and dentures are available to refugees through the combined resources of UNHCR funds and equipment granted by the Government of Japan. These services improve refugee morale and health, and enable more refugees to participate in ESL/CO classes.

Effectiveness of the ESL/CO program

The effectiveness of the ESL/CO program has been confirmed by three independent studies.

From June of 1982 through September of 1984, a study was conducted by the RMC Research Corporation to determine the effectiveness of pre-entry training programs and to assess their impact on domestic resettlement. Groups of trained and untrained refugees were tracked during their first six months of resettlement, case studies were developed, and a wide range of domestic resettlement personnel were interviewed. The report concluded:

> Taken together, the results of the study comprise a strong endorsement of pre-entry training for Southeast Asian refugees both in concept and in the way that training has been implemented. Evidence of the program's positive impact on resettlement was found in every phase of data collection. Results passed even the most rigorous tests of statistical significance. The impact is clearly the greatest in the area of English proficiency, where test results show enormous differences between the trained and untrained groups. There is simply no doubt that pre-entry training should be regarded as an essential element of refugee resettlement and should continue to be funded at whatever level is necessary to maintain its current level of high quality instruction.

The Center for Applied Linguistics conducts ongoing testing of 10 percent of the refugees in training as part of the Bureau's effort to ensure the relevance and quality of instruction. In data collected over the past two years, all students, at all training levels, from all ethnic groups, show significant progress on all tests from entry to exit. The most dramatic gains are made by students who enter the program with no English skills, are not literate in their native language, and who have had little or no prior formal education of any kind. They "graduate" from the program able to understand simple phrases in English, to express immediate survival needs, ask and respond to simple questions, recognize the alphabet, numbers from 1-100 and common sight words. They can also write the letters of the alphabet and produce very basic personal information. Although this is not the level of English required for complete self-sufficiency, they can handle routine entry level jobs that do not require much oral communication, and in which all tasks can be easily demonstrated.

The State Department's Office of the Inspector General conducted an audit of the overseas training program in the spring of 1984. The report concluded:

> The Bureau's ESL/CO program has been quite successful in achieving its goal of providing refugees with survival skills in English and a basic introduction to American culture. U.S. service providers have noted, among other things, that ESL/CO trained refugees have enhanced English skills and confidence to use English in most survival situations. They have fewer problems adapting and decreased dependence on sponsors' resources because they have a basic understanding of U.S. culture and enhanced capability to cope and solve problems, as well as greater ability to deal with on-the-job training in entry-level jobs. There is also convincing evidence that the (overseas) training is exceptionally cost effective in comparison to similar programs carried out in the U.S.

The average per contact hour cost for training in Southeast Asia for FY '85 is estimated to be $1.27. This compares to an estimated average of $2.60 per contact hour in the U.S. The cost for providing services in SEA is therefore less than half the cost of providing similar services in the U.S.

18. PLEASE EXPLAIN THE BUREAU'S METHOD OF EVALUATING VOLAG PROPOSALS AS TO THEIR ABILITY TO COMPLY? WHAT ARE THE STANDARDS USED TO EVALUATE VOLAG PROPOSALS? HAVE ANY VOLAGS BEEN DENIED RECEPTION & PLACEMENT CONTRACTS DUE TO FAILURE TO MEET THESE STANDARDS?

Applicants to the Reception and Placement Program are required to submit proposals which respond to specific content elements set forth in the RFP issued by the Bureau. (A copy of the most recent RFP, as amended, is attached.) The RFP details the evaluation criteria and the weight (points in the composite evaluation score) assigned to each. The most recent RFP specified fourteen evaluation elements for the general program and eight additional elements for proposals for the resettlement of Asian-American cases. The several proposals received in response to the RFP were read and scored independently by a six-member panel, representing diverse elements of the Bureau. The evaluation standards were established, in advance, at 70 of 100 points for the general program and 50 of 70 points for the Asian-American program. Two applicants were denied participation in the general program. Two additional applicants were approved for participation in the general program but were denied participation in the Asian-American program.

19. WHAT ARE THE PRESENT POPULATIONS IN THE REFUGEE CAMPS IN INDOCHINA? HOW DO THOSE FIGURES COMPARE WITH THE NUMBERS FROM, SAY, 1981? WHO ARE THE NEW PEOPLE FLOWING INTO THE CAMPS?

The population of first-asylum refugee camps in Southeast Asia, as of March 31, 1985, was 155,374 people throughout the region. There are an additional 22,312 people in English as a Second Language training in the region. The following chart shows first-asylum population in seven countries now and at the end of 1981.

Country	1985	1981
Hong Kong	11,267	12,960
Macau	724	1,196
Indonesia	6,177	6,138
Malaysia	7,973	9,845
Philippines	1,855	6,628
Singapore	126	657
Other	1,221	2,275
Thailand (boat)	4,970	4,991
Thailand (land)	121,061	188,007
Total	155,374	232,697

There has been a decrease of over 77,000 persons from the 1981 period until now in the first-asylum camp population in the region. Although arrivals have generally decreased, there have been increases among the Lao and Highlander populations in the past two years.

New arrivals from Vietnam are primarily fishermen, farmers, some former re-education camp inmates, and many persons fleeing for family reunification and economic reasons.

The Laotians are a mix of urban and rural residents including professionals and former government officials, draft evaders, and persons fleeing for economic reasons.

The Royal Thai Government does not consider Khmer from the border camps as refugees, and therefore reports no new arrivals from this group.

The Highlanders from the mountains of Laos continue to come out of their native area. They are now the largest single ethnic group in Thailand.

20. UNDER WHAT, IF ANY, CIRCUMSTANCES CAN A VOLAG BE BARRED OR SUSPENDED FROM PARTICIPATION IN REFUGEE RESETTLEMENT? ARE THESE CIRCUMSTANCES EXPLAINED IN ANY EXISTING GUIDELINES? WHY NOT?

A voluntary agency can be excluded from participation in the Reception and Placement program by decision of the Bureau not to extend or reissue a cooperative agreement or, to effect partial exclusion, by decision of the Bureau regulating the allocation of cases to the voluntary agency in respect of either number or location. The decision to exclude an agency from any participation in the program would appropriately be made in the context of the regular proposal evaluation process. In addition, Article VII of the Cooperative Agreement provides for the Bureau's review of an agency's performance prior to the approval of an extension. In the past, agreements with two agencies have been terminated through the non-reissuance of a cooperative agreement.

The method for regulating caseload number or location is elaborated in the attached RFP in Sections V ("Sponsorship Procedures"), VI ("Refugee Caseload"), and X ("Bureau Monitoring"). The latter provides, in particular, that "failure to accomplish the corrective action (determined as a result of Bureau monitoring) ... shall constitute a basis for the exclusion from the reception and placement program of the affiliate or subcontracting entity concerned."

The Bureau believes that this sanction is effective and appropriate for a service program which is, in its essence, locally-based rather than national. The Bureau enters, purposefully, into agreements with national voluntary agencies in order to obtain their capacity to sponsor, to place, and to provide transitional resettlement services for diverse populations of refugees entering on a fluctuating rate which may be highly unpredictable beyond the short term. The national agencies are responsible for program management, but the resettlement services are delivered by specific local affiliates or units. Where bad resettlement occurs, it is typically a local problem, albeit one which the national agency is responsible for monitoring. The appropriate remedy for this situation is, in the view of the Bureau, one targetted at local corrective action or, where necessary, the exclusion of local agency affiliates from the program.

21. CURRENTLY, THE STATE DEPARTMENT PROVIDES A FLAT RATE PER CAPITA GRANT. WHY SHOULDN'T THE VOLAGS BE REQUIRED TO ENGAGE IN COMPETITIVE BIDDING FOR THE GRANTS? THAT IS TO SAY, WHY SHOULDN'T REFUGEE ALLOCATIONS GO ONLY TO THOSE VOLAGS THAT CAN RESETTLE REFUGEES AT THE LOWEST COST?

The nature of a Cooperative Agreement in general, and of the Reception and Placement program in particular, is that it is not a purchase of service contract but a method of funding to accomplish a public purpose through support for an ongoing activity of another agency. In this situation, competitive bidding is neither necessary nor appropriate. The Bureau does not provide full funding for the costs of the reception and placement work of the private agencies: much of their work involves the utilization of private resources, in-kind contributions and volunteer time. Furthermore, although the service requirements of the Cooperative Agreement are limited to the initial 90-day period, the work of the voluntary agencies extends, in most instances, for a much longer time -- sometimes assisted by other federally-funded contracts, sometimes not. The per capita grant basis for funding allows voluntary agencies of varying sizes representing varying constituencies to participate in a national program which seeks to incorporate the strength of these diverse links to the communities into which refugees are placed. As we are not, in any case, paying the full cost of the agencies' programs, we would not necessarily save federal money by seeking out those agencies with the lowest staff salaries or those with the broadest administrative cost base.

22. DO YOU BELIEVE THAT THE VOLUNTARY AGENCIES ARE CAPABLE OF PROVIDING THE CLOSE MONITORING AND CONTACT THE LUNGREN AMENDMENT CALLS FOR?

The voluntary agencies, as a group, are certainly capable of performing the functions required by the Lungren Amendment, even if they object to the nature of a legal requirement to do so. There will inevitably be individual cases of family reunion placements to areas where there is no voluntary agency representative present and for which the disbursal of cash assistance will be administratively complicated. With that caveat, and with the expectation that the voluntary agencies will, in some instances, need to employ additional accountants or administrative staff, we see no difficulty in the practical steps of implementation.

23. WOULD IT MAKE SENSE TO WAIT FOR THE RESULTS OF THE FISH DEMONSTRATION PROJECTS BEFORE GOING AHEAD WITH THE LUNGREN AMENDMENT? WHAT IS THE RELATIONSHIP BETWEEN THE TWO PROGRAMS?

The suggestion in the voluntary agencies' testimony -- to wait for the results of the Fish demonstration projects before considering new legislation -- offers a reasonable approach but not a timely one. Assuming an initial project period of one year (which, it may be argued, is not enough to examine the effect on long-term self-sufficiency versus welfare rates or to compare upfront service costs against long-term welfare savings), the time lag, when coupled with the planning and evaluation periods, effectively means that the Administration will not be able to use the results as a basis for general program modification before FY 1988.

The two programs are closely related in the sense of aiming at the general target of doing something meaningful to affect welfare utilization by refugees. They are quite different, however, in range and adapatability to specific state or local situations. The Lungren Amendment is restricted to the initial 90-day period; Fish Amendment projects are not. The Lungren Amendment establishes a uniform national requirement; Fish Amendment projects may (and indeed should) vary from site to site.

24. HOW MUCH HIGHER WOULD THE PER CAPITA GRANT AMOUNT HAVE TO BE TO COVER THE VOLAGS COSTS UNDER LUNGREN? WHERE WILL THIS MONEY COME FROM?

> With reference to question 5, above, the Bureau calculates that an increase in the budgeted level of the Reception and Placement program from a base level of $600 per capita for FY 1986 to a revised average of $890 per capita will be sufficient to enable the voluntary agencies to accomplish the requirements of the Lungren Amendment: providing for the basic needs of refugees for 90 days instead of 30 days as at present. Funds for this purpose have been included in the Department's FY 1986 Budget Request.

25. WILL THESE GRANTS BE OF UNIFORM AMOUNT THROUGHOUT THE COUNTRY? SHOULDN'T THE GRANTS VARY, DEPENDING ON THE COST OF LIVING IN THE STATE IN WHICH THE REFUGEE WILL BE RESETTLED?

> The use of a national per capita rate has proven an effective administrative mechanism for the funding of a Reception and Placement program which emphasizes staff-intensive services. However, under the Lungren Amendment or the proposed Administration alternative income support will assume a much greater functional and budgetary importance for each voluntary agency. The Administration bill expressly acknowledges the relationship between the voluntary agencies' responsibilities and the state-specific AFDC benefit levels. Thus, although the Bureau would wish to consult with the Congress and the voluntary agencies before finalizing our administrative instruments for these greatly altered service requirements, we are considering a restructuring of the cooperative agreement funding which would separate out the allocation for income support based upon the estimated distribution of caseload by state and the applicable HHS schedule of AFDC benefit levels.

Doc. 1869H

ORDERLY DEPARTURE PROGRAM

Amerasian Subprogram

QUESTION: How many Amerasian children with family members have thus far departed Vietnam under ODP auspices?

ANSWER:

Between September 1982 and the end of March 1985 the following numbers of Amerasian children and accompanying family members departed Vietnam en route to the United States:

Amerasian Departures to the U.S.
Via the Orderly Departure Program

	FY 82 - FY 84	FY 1985 Oct. - Mar.	TOTALS
Amerasian Children			
U.S. Citizens	113	12	125
Refugees	1,361	570	1,931
Immigrants	97	34	131
Non-Immigrants	14	0	14
Hum. Parole	2	0	2
Subtotals	1,587	616	2,203
Accompanying Relatives			
Refugees	1,839	926	2,765
Immigrants	91	29	120
Non-Immigrants	15	0	15
Hum. Parole	11	0	11
Subtotals	1,956	955	2,911
GRAND TOTALS	3,543	1,571	5,114

ORDERLY DEPARTURE PROGRAM

Amerasians at the Philippine RPC, Bataan

QUESTION: What is the policy regarding the enrollment of Amerasians and their families at the PRPC in Bataan? When did this policy start? What percentage of this group is sent to the PRPC? What percentage are sent direct to the U.S.? How many of them are there in the PRPC at the present time?

ANSWER:

In May of 1984 the Department of State authorized the Orderly Departure Program office in Bangkok to send Amerasians and their families, provided they are to be admitted to the U.S. as refugees and meet other criteria, to ESL/CO training at the PRPC in Bataan. This authorization was given after much deliberation by the Department and certain resettlement agencies, and it was decided that it would be in the best interests of the Amerasians (and their families) to participate in the ESL/CO training course.

The following chart reflects the percentage of those Amerasians and family members who go to the PRPC and those who come directly to the U.S.

TOTAL (Amerasians and Family Members)

Refugees to PRPC:	86%
Refugees Direct to U.S.:	10%
U.S. Citizens, IVs, etc.	4%

Amerasians

Refugees to PRPC:	81%
Refugees Direct to U.S.:	13%
U.S. Citizens, IVs, etc.:	6%

Accompanying Family Members

Refugees to PRPC:	89%
Refugees Direct to U.S.:	8%
IVs, etc.:	3%

At the present time there are about 860 Amerasians and family members at the PRPC in Bataan.

United States Department of State

Washington, D.C. 20520

Attachment to Question & Answer No. 18

TO : Potential Applicants

FROM : Bureau for Refugee Programs
Department of State

SUBJECT : Amendment to Request for Proposals

This announcement amends the Request for Proposals (RFP) issued by the Bureau for Refugee Programs for reception and placement services to refugees who are admitted to the United States during the period January 1, 1985 to September 30, 1985. A copy of the original RFP is attached for reference All section, paragraph and other identifiers cited in the Amendment refer to this attachment.

Section I. Purpose and Scope

Paragraph 1: The period is amended to March 1, 1985 to September 30, 1985.

Paragraph 7: No change. See discussion under Section VIII.

Paragraph 8: The date is amended to March 1, 1985.

Paragraph 9: The date is amended to January 18, 1985.

Section II. Program Duration

There are no changes in Section II.

Section III. Eligible Applicants

There are no changes in Section III.

Section IV. Funding Procedures

There are no changes in Section IV.

Section V. Sponsorship Procedures

Paragraph 3: Paragraph 3 is deleted. The Bureau concurs with the comment received that this paragraph neither accurately nor adequately deals with the interest card system. It is the intention of the Bureau to convene a meeting of all agencies receiving awards to address the questions which have arisen pertaining to the functioning of the allocations system, to include the subject of interest cards.

Section VI. Refugee Caseload

There are no changes in Section VI. The Bureau wishes to acknowledge, however, that the cooperating voluntary agencies have raised significant questions and concerns over the manner in which the allocations system is to function. The Bureau concurs that this is an important subject which cannot be addressed appropriately within the specific information elements of an RFP. Consequently, the Bureau will convene a meeting of all agencies receiving awards in order to consult fully on the allocations system. It is foreseen that such a meeting would be scheduled subsequent to the work of the proposal evaluation panel, i.e., during the month of February 1985.

Section VII. Reception and Placement Service Requirements

There are no changes in Section VII.

Section VIII. New Service Requirements

There are no changes in Section VIII. The Bureau is giving serious consideration to the recommendation that the service requirements for a single ethnic subgroup should be established through guidelines separate from the formal Cooperative Agreement document. It is anticipated that this question, as well as any modification to the draft provisions themselves, will be clarified before the new cooperative agreements are issued. Nonetheless, it remains an objective of the Bureau to ensure that thorough planning is undertaken in respect of the resettlement needs of the Asian-American caseload. Consequently, for the purposes of this RFP, applicants proposing to participate in the resettlement of Asian-American cases, must specifically and separately address their plans for the provision of the services indicated.

Section IX. Reporting Requirements

Subsection A. Financial

Paragraph 2: Paragraph 2 is amended to read, in its entirety:

> The agency will be required to submit copies of all reports of transportation loan collections furnished to the Intergovernmental Committee for Migration.

Subsection B. Program

Paragraph 1: Paragraph 1 is amended to read, in its entirety:

> The agency will be required to submit by June 30, 1985 an interim statistical report which summarizes refugee placements, by ethnic group and state of placement, for all refugees resettled under the terms of the cooperative agreement who arrive during the three-month period March 1, 1985 to May 31, 1985 and which discusses any major variation from the program presented in the agency's proposal.

Paragraph 2: Paragraph 2 is amended to read, in its entirety:

> A final program report will be due January 31, 1986. This report should describe activities carried out during the period March 1, 1985 to September 30, 1985, including an estimate of the total expenditures of the agency, broken down by source of funds, to perform the services specified in the cooperative agreement. The report should distinguish between expenditures at the level of the sub-office responsible for resettlement in the state where the refugees are placed and expenditures for activities at the national or regional level. This report should also include a statistical summary, in the format provided at Attachment C, covering, by state of placement, all refugees resettled under the terms of the cooperative agreement who arrive during the three-month period March 1, 1985 to May 31, 1985.

The remainder of Subsection B is deleted.

Section X. Bureau Monitoring

There are no changes in Section X.

Section XI. Proposal Evaluation

Subsection A. Process

There are no changes in Subsection A.

Subsection B. Content

Paragraph 4: In line 8 the time period "six months" is amended to read "three months." Applicants wishing to provide an additional estimate for the six month period are invited to do so.

Subsection C. Geographic Distribution/State Descriptions

Paragraph 1: In line 1 the phrase "The proposal should contain," is replaced as follows:

> "Agencies receiving awards will be required to submit, prior to March 1, 1985,"

Subsection D. Evaluation Criteria

There are no changes in Subsection D.

Subsection E. Evaluation of Proposals for Asian-American Cases

There are no changes in Subsection E.

Attachments

The title of Attachment C is amended to read "Reception and Placement Statistical Report."

RESPONSES OF ORR

Question #1: Please describe the status of the Fish Amendment demonstration projects. Have any been approved? If not, when will ORR begin issuing approvals and when will the projects likely get off the ground?

Response: No projects have been approved yet but proposals by two States -- California and Oregon -- are nearly in final form. California expects to begin its project July 1. Oregon has not yet proposed a specific starting date, but we would expect it to be around that same time.

Question #2: What entities are eligible for demonstration project grants? States? Counties? Volags?

Response: All of those you have mentioned, as well as other public and private nonprofit organizations, including refugee mutual assistance associations are eligible.

Question #3:	Have eligible entities expressed much interest in the program?
Response:	ORR has received several expressions of interest in demonstrations to be carried out under the Fish Amendment. In addition to demonstration projects which will be implemented shortly in both California and Oregon, several national voluntary agencies have discussed with ORR possible demonstrations in several sites. currently, voluntary agencies are consulting among themselves and with local affiliates about possible areas and approaches to demonstrations.

Question #4: At what levels will approved grantees likely be funded and where will the funding come from?

Response: We expect project proposals to vary substantially in size and scope so that it isn't possible at this point to forecast funding levels. For example, the California project is expected to cover most of the time-eligible refugees in the State who would otherwise be eligible for AFDC; other proposals could be for much smaller geographic areas. The funds will come from several sources: First, ORR funds that would otherwise have been used for the regular State-administered refugee program; second, if a project were to include income maintenance for refugees who would otherwise be AFDC-eligible, then AFDC funds available under title IV-A of the Social Security Act would also be used; and, third, if a project included medical assistance for refugees who would otherwise be eligible for Medicaid, then Medicaid funds available under title XIX of the Social Security Act would also be used.

Question #5: Will refugees covered by the projects be specifically disqualified from federal welfare programs? Which programs? Will they be eligible for state general welfare programs? And, if so, will ORR reimburse states for their 36-month costs in providing general assistance to refugees who the states deem eligible?

Response: If a project covers assistance that would otherwise have been provided under a Federal or federally aided welfare program, then the refugees who are covered by the project would be disqualified from that program. The programs from which they could be disqualified, reflecting the statutory language, would be AFDC, Medicaid, and refugee cash and medical assistance under section 412(e) of the Immigraton and Nationality Act. With respect to State or local general welfare programs, we do not regulate eligibility for those programs, which are financed entirely by State and/or local funds. Currently, we reimburse States for general assistance provided during a refugee's second 18 months in the United States; reimbursement during the first 18 months is not provided because that is the perid during which the refugee would be covered by refugee cash assistance (RCA) funded by ORR. In reviewing any project proposal intended to cover refugees who could potentially be eligible for general assistance, we would want to be sure that the aid provided through the project would in fact mean that they would not be eligible for general assistance. In order for a project to fulfill the intent of the law for viable alternative approaches, we believe it is important that duplicative assistance not occur.

Question #6: Will refugees be given the right to decide they do not wish to participate in a demonstration project?

Response: This may vary with the type of project. We intend to allow maximum flexibility as to the types of projects which may be operated. In some cases a project could be the only potential source of financial assistance so that while a refugee might not actually be required to participate, the reasons for participating would be very compelling.

Question #7: What criteria will ORR employ in deciding which projects get funded?

Response: The basic criteria will be, first, our evaluation of the likelihood that the project will achieve the priorities of reducing welfare use, promoting early employment, and fostering self-sufficiency and, second, whether the cost is reasonable.

RESPONSE TO #8

Question. The Administration's FY 1986 budget reduces social services funding from $72 million to $45 million. Why so substantial a cut?

Answer. The President's FY 1986 budget includes a request for $44.8 million for refugee and entrant social services. This figure is based upon an adjusted estimate of the three-year refugee population. As a result, the difference between the FY 1985 continuing resolution level which is based upon past spending and the population-based FY 1986 budget request is exaggerated.

In FY 1985, the Administration requested only $46.2 million for social services. This figure was, as in FY 1986, population-based. The FY 1986 level for social services would be only $1.4 million lower than 1985, a decrease due to the lower admissions levels of refugees in recent years.

RESPONSE TO #9

Question. Why does ORR consider only refugees who have been here three years or fewer when calculating its social services budget? Shouldn't ORR's focus be the total number of refugees who need such services?

Answer. The three-year eligible population used in ORR's social services funds allocation process is the best available approximation of the population in need. Special needs not adequately addressed through the allocation formula are provided for through ORR's project grant or "discretionary" programs.

10. Doesn't it seem inconsistent for the administration to reduce the matching grants to $500 for Soviet Jews at the same time it proposes to increase the per capita grants for Indochinese refugees from $560 to approximately $900?

A: I do not feel that it is inconsistent for the Administration to reduce matching grant funding while increasing per capita funding for reception and placement grants. The per capita grants are awarded by the State Department for all newly arriving refugees, not just Southeast Asian refugees. Likewise, the matching grant funding is available to cover any newly arriving refugee regardless of the country of origin. The matching grant program, which originated as an alternative resettlement approach during a one time period of high arrival of Soviet and East European refugees, augments services and support provided by the voluntary agencies through the current reception and placement program.

Question #11: What is the Administration's position on the Lungren amendment?

Response: We strongly support the amendment, provided that language is included to prohibit duplicative eligibility for AFDC or RCA during the 90-day period when voluntary agency support is available.

Question #12: If the Administration supports the amendment, why doesn't it implement it administratively? Does current law need to be amended first?

Response: We consider the exclusion from cash assistance eligibility to be essential in order to avoid duplicative assistance, and this can be accomplished only through statutory language.

Question #13: Do you believe that the voluntary agencies are capable of providing the close monitoring and contact the Lungren Amendment calls for?

Response: Yes they are particularly suited for this responsibility.

Question #14: There has been some concern expressed that if the Lungren Amendment were implemented, State and local governments would not receive ORR reimbursement for those refugees who fall through the cracks and wind up on state general assistance during that initial 90-day period. What would ORR's policy be in such cases?

Response: We believe that care would have to be taken to assure that assistance provided through the voluntary agencies is sufficient to render a refugee ineligible for general assistance during the first 90 days. ORR does not currently reimburse for general assistance during a refugee's first 18 months in the U.S. when refugee cash assistance is available, and we would not plan to do so if the Lungren Amendment is enacted. Our budget request for FY 1986 assumes enactment of the Lungren Amendment and does not include any funds for reimbursement to States for cash assistance to refugees during their first 90 days in the U.S.

Question #15: Would it make sense to wait for the results of the Fish Demonstration projects before going ahead with the Lungren Amendment? What is the relationship between the two programs?

Response We believe strongly in the need to clarify and strengthen the role of the voluntary agencies through the Lungren Amendment rather than waiting for the results of demonstrations under the Fish Amendment. The two programs are not mutually exclusive. In fact, they can operate in a complimentary fashion. It would be possible, for example, for voluntary agencies to propose a Fish Amendment projects that would include the provision of assistance, services, and case management in the same manner as is envisioned in the Lungren Amendments. Alternatively, following enactment of the Lungren Amendment, a voluntary agency could propose a Fish Amendment project that would pick up after the first 90 days.

Question #16:	How much higher would the per capita grant amount have to be to cover the volags' costs under Lungren? Where will the money come from?
Response	According to the Department of State's FY 1986 budget request for Migration and Refugee Assistance, "Funding is required at the level of $890 per refugee admitted in order to implement enhanced reception and placement services." Funds for this purpose, including approximately $295 per refugee for Lungren activities, are requested in the President's Budget for the State Department's Bureau for Refugee Programs for FY 1986. A similar amount of funds (estimated as the cost of providing assistance to refugees during their first 90 days) is excluded from ORR's FY 1986 budget request.

Question #17:	Will these grants be of uniform amount throughout the country? Shouldn't the grants vary, depending on the cost of living in the State in which the refugee will be resettled?

Response

The Department of State will continue to use a standard reception and placement grant amount per refugee in FY 1986. The amount of the awards will be increased to $890 to implement enhanced reception and placement services.

The use of a uniform grant amount throughout the country has been successful to date. It limits the need to make adjustment transactions whenever a refugee moves from the State of initial resettlement to another locality during the first 90 days in the country.

A variable grant level based upon the initial resettlement State would not be a significant improvement because, even within one State, the cost of living varies dramatically. For example, a single standard would have to be selected for the cost of living in New York City and in upstate New York. The uniform grant level also simplifies administration and monitoring for the national voluntary agencies operating under a cooperative agreement with the Department of State.

Question #18: During FY 1984, over 11,000 persons were granted asylum in the United States. Does the 1980 Refugee Act authorize ORR to provide refugee-type benefits to Asylees? Can you think of any reason why it should not?

Response: If an individual has been granted asylum under section 208 of the Immigration and Nationality Act, then he or she is eligible for assistance and services through the refugee program administered by ORR. We should note, though, that the 36-month period of potential eligibility for cash or medical assistance funded through ORR dates from the person's time of arrival in the United States rather than when asylum was granted.

Question #19: Does ORR compile information on the welfare dependency rates of refugees who have been here more than three years? Don't you think it would be essential to have such information in order to evaluate the long term effectiveness of the program?

Response: The information reported to us by the States is on refugees who have been in the United States less than 3 years, the period for which Federal refugee funding is provided for cash assistance. We do obtain some information on time-expired refugees through our annual national sample survey of Southeast Asian refugees, and from time to time information from other sources also becomes available. For example, California has done studies which include time-expired as well as time-eligible recipients of assistance. We agree that such informaton is useful.

Question #20: Has the Administration abandoned its proposal to disperse refugee funds through block grants?

Response: Our current legislative proposal does not include a block grant, nor does the President's budget request for FY 1986.

Question #21: What is the current dependency rate for refugees here three years or fewer? What is the rate in California? California officials assert that the real rate is around 50%. How do you respond to their challenge to ORR's calculations?

Response: The rates we have calculated are based on the States' reports of time-eligible recipients. The latest figures are as of September 30, 1984. Nationally, the dependency rate is 53.9%; in California, 85.4%; and in the other States combined, 37.7%. The 50% figure which you cited might be a rate that includes time-expired as well as time-eligible recipients.

RESPONSE TO #22

Question. Formal audits of State refugee programs were recently undertaken by the HHS Inspector General's Office in several States, including California. What did those audits reveal?

Answer. Through the end of FY 1984, audits were either underway or completed in 12 States (plus Washington, D.C.), including those States with the largest refugee programs. Audits have been conducted or are going on in: California, Colorado, the District of Columbia, Florida, Illinois, Indiana, Maryland, Massachusetts, Minnesota, New York, Pennsylvania, Virginia and Wisconsin. The audits have recommended a total of $38.2 million in refugee program funds be recovered; however, actual recoveries have not been made, pending State appeals of the audit findings. A more complete summary of audits and audit findings in the refugee program may be found on pages 45-47 of the annual Report to the Congress on the Refugee Resettlement Program dated January 31, 1985 and transmitted to the Congress earlier this year.

#23

Q. According to a recent survey conducted by the Santa Clara County Health Department, more than half of the Cambodian refugees, because of their experience in Cambodia, need psychological counseling or intensive psychiatric care. What is ORR doing to assure that such mental health care is provided?

A. Under current ORR's programs, there are several ways for States to provide mental health services to refugees. States may use up to 15% of their social service and Target Assistance allocations for mental health or other support services. A state may also apply for one or several grants under the ORR Comprehensive Discretionary Social Services for refugee mental health services if these services are considered critical and the State does not have sufficient resources to address them. Available funds for this program total $3.5 million for fiscal year 1985.

As a long-term strategy, ORR, in cooperation with Office of Refugee Health and the National Institute of Mental Health, will launch a multi-year program during fiscal year 1985 to assist 8-10 states, with large numbers of refugees to plan and implement coordinated mental health system improvements by reducing barriers to care. At the end of ORR/NIMH support, it is expected that state mental health agencies will use existing resources such as Federal Mental Health Bloc Grants and/or State revenues to support appropriate mental health services for refugees.

Finally, refugees who are eligible for Medicaid may also receive certain mental health services under this program.

Question #24: Since 1982, the Director of ORR has had a statutory mandate to implement a placement policy under which free cases (i.e., refugees with no close relatives) are resettled in non-impacted areas. What measures have you taken to implement and monitor this mandate?

Response: We have in effect a placement policy that was implemented in July 1982 following extensive consultations between the Department of State, the national voluntary resettlement agencies, and ORR. Subsequently, we published a proposed regulation for public comment and have continued to consult with public and private agencies, refugee organizations, and others about placement policy. The responses to our proposal have varied greatly. Meanwhile, the reduced refugee flows have significantly lessened the impacts that were experienced with the very large flows of the early 1980's. Our proposed regulation included a formula to be used in determining whether an area is impacted and a proposed list of impacted areas. We are now retesting that formula to see what the result would be if the formula were in effect and, based on current data, whether the resulting list of impacted areas that it would generate appears reasonable. We are also continuing to consider the results of our consultations and whether some revised approach would be more appropriate. While this process is underway, the existing policy that is in effect appears to be working reasonably well.

Question #25: Given that voluntary agencies receive their grants from the State Department, not ORR, would it make more sense to make the State Department responsible for placement policies?

Response: Since the effect of placement policies is primarily on the domestic side, the area of responsibility of ORR, we believe that the present location of the placement policy responsibility is the appropriate one.

Question #26: The proportion of refugees placed in the ten states with the most refugees was higher in 1984 than in 1983 (69.6% versus 68.8%). Is that evidence that the placement policy is not working?

Response: No, it reflects the fact that most of the refugee population is in those States and that most of the incoming refugee flow is for purposes of family reunification.

Question #27: For how many years should the Refugee Act be reauthorized?

Response: We are recommending a 2-year reauthorization for fiscal years 1986 and 1987.

Question #28: I notice the Administration wants to include a 90-day bar of receipt of public assistance in conjunction with the Lungren Amendment. Is the result of such a bar reflected anywhere in ORR's budget and, if so, where and how?

Response: Yes, funds to cover the cost of cash assistance to refugees during their first 90 days in the U.S. have been excluded from ORR's FY 1986 budget request and included in the budget request for the State Department's Bureau for Refugee Programs.

Question #29: What is your rationale for opposition to the separation of cash from medical assistance? Does not the uniqueness of the refugee situation require specially-tailored program responses?

Response: We do not object to the separation of cash and medical assistance in the sense that a person could qualify for medical assistance without being required to receive cash assistance. We allow for this under the program of refugee medical assistance (RMA), permitting a refugee who has substantial medical expenses to spend down to the RMA eligibility level and qualify for medical assistance. In addition, 30 States have Medicaid medically needy programs which enable low-income families who are above the AFDC financial eligiblity level to qualify for Medicaid, and we follow the same financial eligibility standards for RMA. Our objection is to any proposal that would remove all income limits from refugee eligiblity for medical assistance or that would set substantially higher limits than exist for U.S. citizens. We believe that equity between citizens and refugees in eligibility for medical assistance is a basic consideration.

RESPONSE TO #30

Question. The Continuing Resolution for FY 1985 appropriated $50 million for targeted assistance. The Administration, however, is planning to spend only $11 million in FY 1985. What happened to the other $39 million? Was it impounded? On what authority has the administration decided that the full $50 million does not have to be spent in FY 1985?

Answer. Under the Continuing Resolution for FY 1985 (Public Law 98-473) $10,974,000 in new funds and $39,026,000 in unobligated funds carried over from FY 1984 will be awarded. This is the amount which the Department has determined to be available for FY 1985 under Section 101 of the Continuing Resolution which provides funding for the Office of Refugee Resettlement programs "at a rate of operations not in excess of the lower of the current rate or the rate authorized by H.R. 3729 as passed by the House of Representatives...." Since the amount authorized by H.R. 3729 is lower than the current rate (i.e., the amount available for obligation in FY 1984), the amount provided by the Continuing Resolution is the amount authorized in H.R. 3729. Since H.R. 3729 authorized targeted assistance at the annual rate of $50 million, that amount is the rate for operations prescribed by the Continuing Resolution for FY 1985.

In determining the amount available for FY 1985, the Department has followed a decision issued by the Comptroller General (58 Comp. Gen. 530,535 (1979)) in interpreting language identical with that used in the Continuing Resolution for the refugee program. The Comptroller General concluded that when a Continuing Resolution appropriates funds to continue an activity at a rate of operations not in excess of a particular rate, any balance of appropriations available from a previous fiscal year must be deducted from the rate prescribed in the Continuing Resolution in determining the amount of new budget authority. If this were not done, the program would be funded at a higher level than that prescribed in the Continuing Resolution.

Therefore, in determining the amount of new budget authority required to provide a rate of operations at the level specified by Congress (i.e., the rate authorized by H.R. 3729) and consistent with the cited opinion of the Comptroller General, the Department has determined that the $39,026,000 in targeted assistance funds which were carried over from FY 1984 must be deducted from the $50 million rate for operations specified by Congress. Thus the amount of new funds required is $10,974,000.

Question #31: Under the Lungren Amendment, what would be the best way to handle the problem of secondary migration? Should volags be legally and financially responsible for refugees who move to another state?

Response: No, we do not believe that would be possible since a refugee might move to an area where the voluntary agency was not represented, and we don't believe it would be reasonable to require a voluntary agency to replan and reimplement a resettlement when a refugee has decided to move. We would see a voluntary move by a refugee as one taken on his own initiative and at his own risk. We have also suggested, in the Administration's proposal, revised wording in the Lungren Amendment which would omit the term "legally and financially responsible."

Question #32: Are States currently receiving full federal reimbursement for cash and medical benefits provided to Cuban/Haitian entrants? Are any Cubans or Haitians receiving refugee-type benefit under Fascell/Stone? Will Social Service funding still be provided for the benefit of Cuban/Haitian entrants?

Response: Yes, States are continuing to receive such full Federal reimbursement, and Cuban and Haitian entrants have exactly the same eligibility for assistance and services as refugees. However, the time-eligibility of most Cuban and Haitian entrants for fully federally funded cash and medical assistance, which is statutorily limited to 36 months, has expired. Social service funds have continued to be allocated on the same basis for entrants as for refugees.

Question #33: Many people believe that the generous level of cash assistance provided in California is a major reason why refugees continue to migrate there. Why shouldn't ORR establish a nationally uniform cash assistance payment rate? Wouldn't that reduce the incentive to go to California?

Response: Two factors would make it difficult to establish a nationally uniform cash assistance rate for refugees: One factor is real differences in the cost of living in different parts of the country. For example, housing costs vary significantly. The second factor relates to the existing welfare system, in which AFDC and other welfare payment levels differ greatly among the States. Any nationally uniform rate would have to be higher than the current rates in many States -- exceeding the assistance payments to citizens -- in order to meet basic needs in other States. In addition, if the uniform rate were lower than the existing rates in the higher-paying States, then refugees could qualify for additional aid under the existing programs unless there were an absolute bar to eligibility. When we gave serious consideration a few years ago to the question of a national rate, we concluded that it could have the advantage of removing a possible factor in secondary migration but that it would be very difficult to implement within the context of the present welfare system.

Question #34: Should a sunset provision be put in the Lungren Amendment?

Response: We are not recommending such a provision. Since it would require a significant effort on the part of voluntary agencies to plan for the implementation of the Amendment, we believe that they would need to be assured that the system which it would place in effect would be continued on an ongoing basis.

Question #35: Will the Department move forward to implement its version of the Lungren Amendment regardless of the progress of this legislation?

Response: We believe that it would be very difficult to implement the intent of the Amendment unless there is statutory language to assure that duplicative assistance will not be provided through the public sector at the same time that refugees are being assisted through the voluntary agencies.

Funds for assisting refugees during their first 90 days are included in the State Department's budget request rather than ORR's, and therefore we would not expect to be in a position to provide funding to States for cash assistance to refugees during the initial 90-day period. We believe this argues strongly for the statutory language we have recommended which would assure a cost-effective and nonduplicative program.

InterAction
American Council for Voluntary International Action

President and Chief Executive Officer
Peter J. Davies
First Vice Chair
James MacCracken
Second Vice Chair
Nan Borton
Secretary
Karl Zukerman
Treasurer
Robert L. Ainsworth
Assistant Secretary
Kenneth M. Phillips
Assistant Treasurer
Donald H. Kerr
Executive Committee
Gwendolyn Baker
Jerry P. Ballard
Norman E. Barth
John H. Costello
Brenda Broz Eddy
David L. Guyer
Dorothy I. Height
Joan Hamlen
The Rev. Stanley W. Mouw
The Rev. Canon S. J. Hobday
Corinne B. Johnson
Philip Johnston
Boyd B. Lowry
C. Payne Lucas
Robert J. McCloskey
Andrew H. Oerke
John G. O'Neil
John Sewell
Elise Fiber Smith
Charles Sternberg

May 6, 1985

Congressman Romano L. Mazzoli
Rayburn House Office Bldg.
Room 2246
Washington, D.C. 20515

Dear Congressman Mazzoli:

I am pleased to submit answers to your questions which emanated from the hearing of your Subcommittee on Immigration, Refugees, and International Law on April 17th.

I trust the results will be helpful to you and the members of your Subcommittee.

Sincerely,

Karl D. Zukerman
Executive Vice President

KDZ:jme

200 Park Avenue South
New York, N.Y. 10003
(212) 777-8210

2101 L Street N.W., Suite 916
Washington, D.C. 20037
(202) 822-8429

Telex:
667828

I. CHICAGO PROJECT

1. *PLEASE COMMENT ON THE PROGRESS ON THE CHICAGO PROJECT. IS IT WORKING TO YOUR SATISFACTION?*

The Chicago Resettlement Demonstration Project which began in November 1985 has required the combined efforts of national and local voluntary agencies, the Department of State, the Illinois State Coordinator and the other resettlement actors to fashion the instruments of coordination, implementation and evaluation. Although these all are now in place and are functioning, it still is too soon to judge adequately the results of the project. We anticipate having reliable results of the hypotheses we are testing at the end of a full year of the Project's operation. We are most pleased by the cooperative spirit displayed by all parties to the Project.

2. *IT IS MY UNDERSTANDING THAT SOME CONCERN HAS BEEN EXPRESSED BY THE EXCLUSION OF THE MUTUAL ASSISTANCE ASSOCIATION IN CHICAGO FROM THE PROJECT. HAS THIS BECOME A SERIOUS PROBLEM FOR THE VOLAGS ATTEMPTING TO INVOLVE THE MAA's IN SOME ASPECT OF THE CHICAGO PROJECT IN AN EFFORT TO DEVELOP A COOPERATIVE APPROACH?*

After the start up of the Project we hastened to respond to the expressed disatisfaction of the MAA's in Chicago, even though the previous project had requested their suggestions and received no responses. We are now engaged, both nationally and locally, in working out more cooperative endeavors with MAA's.

3. *WHAT HAVE THE VOLAGS LEARNED, IF ANYTHING, FROM THE CHICAGO PROJECT?*

It is premature to respond to this question in full. We are learning, however, what problems are likely to arise in such projects and, therefore, we will anticipate them in planning future resettlement projects

4. *HAVE ANY SAVINGS BEEN ACHIEVED WITH REGARD TO JOINT STAFFING ARRANGEMENTS OR ANY OTHER COST EFFICIENCY MEASURES?*

The Chicago Resettlement Demonstration Project never set as its goals joint staffing or cost efficiency and is not designed to measure these factors.

5. *WHAT HAS BEEN THE ROLE OF HIAS IN THIS PARTICULAR PROJECT?*

HAIS has been a full participant in the Chicago Resettlement Demonstration Project since December 1, 1984.

6. *BASED ON YOUR EXPERIENCE WITH THE CHICAGO PROJECT, WOULD THE VOLAGS SUPPORT A MOVE IN THE DIRECTION OF A COST REIMBURSEMENT APPROACH FOR RESETTLEMENT ACTIVITIES?*

Our experience with the Chicago Project is too short to give us any evidence to support this notion. It is, after all, a demonstration project covering only three metropolitan Chicago counties in the State of Illinois.

II. LUNGREN AMENDMENT

1&4 *LAST YEAR THIS LEGISLATION DID NOT MOVE FORWARD IN LARGE PART DUE TO THE FAILURE OF THE VOLAGS TO SUPPORT THE LEGISLATION AS LONG AS IT INCLUDED THE LUNGREN AMENDMENT. WHAT IS THE CURRENT POSITION OF THE VOLAGS ON THE LUNGREN AMENDMENT? WHAT VERSION OF THE LUNGREN AMENDMENT WOULD BE ACCEPTABLE TO THE VOLAGS?*

The voluntary agencies are unalterably opposed to the Lungren Amendment as it was formulated in last year's legislation and in HR 1452 as it was introduced earlier this year. However, we are in sympathy with the concern raised by Mr. Lungren and support this alternate wording"...to fulfill its responsibility to provide for the basic needs of each refugee resettled including,but not limited to,food, clothing, shelter and transportation for job interviews and training opportunities and to develop and implement a resettlement plan including the early employment of each refugee resettled and to monitor the implementation of such plan;"

2. *CANNOT LEGAL AND FINANCIAL RESPONSIBILITIES BE IMPOSED FOR THE FIRST 90 DAYS WITH WAIVERS PROVIDED IN CASE OF EXTRAORDINARY CIRCUMSTANCES (I.E. CATASTROPHIC ILLNESS OF NEW ARRIVALS)?*

We are unwilling to assume legal and financial responsibility with or without waivers. We believe such language would place our total assets at risk, shift an unwarranted burden to the private sector, chill private charitable and voluntary initiatives and provide a generic solution to what are specific and unique problems. Furthermore, it would invite individual lawsuits by dis-

II. LUNGREN AMENDMENT (Continued)

satisfied refugees against sponsoring agencies. We do not believe it would accomplish its objectives which we fully share.

3. *WHAT WOULD BE THE VOLAGS VIEW ON SPECIFICALLY EXCLUDING NEW ARRIVALS FROM WELFARE FOR THE FIRST 90 DAYS OR 6 MONTHS AS SUGGESTED BY FORMER USCC HEAD JOHN MCCARTHY?*

With appropriate conditions, the voluntary agencies are prepared to consider this approach as a demonstration project under the Fish-Wilson Amendment. The necessary conditions for this are: case management authority for the voluntary agencies, protection of the voluntary agency from individual civil liability, authority to impose sanction if a refugee refuses a reasonable job offer and sufficient funds to provide transitional cash assistance which will support the refugee at least at the AFDC level (necessary to render the refugee ineligible for public cash assistance.)

4. *WHAT LEVEL OF FUNDING FOR THE R & P GRANTS WOULD BE REQUIRED TO CARRY OUT THE LUNGREN AMENDMENT AS CURRENTLY DRAFTED?*

Since the Amendment as re-introduced in HR 1452 is unacceptable to us in concept, the level of funding is irrelevant.

III. Matching Grant Program

1. *It is my understanding that ORR is proposing having the funding reduced by half under the Matching Grant Program, which was originally designed for resettling Soviet Jews, with a view to eventually eliminating funding entirely for this program. What is the Volags view and particularly the HIAS view on this proposal?*

   All the Volags, including HIAS are puzzled and distressed that such a cost-effective and successful program would be ended. Since it has had the effect of generating private charitable dollars and other donations for the resettlement effort, we would have assumed a concordance with the Administration's stated desire to nurture a public/private partnership.

2. *Do you have any idea as to the genesis for this proposal to cut and eventually eliminate a program that has always been proven to be successful?*

   The idea is unthinkable to us to terminate a program which sharply reduces the public assistance dependancy of enrolled refugees, which is cost effective to government and engenders matching private assistance. We can find no supportable rationale for cutting and eliminating this program.

IV. Fish Amendment

1. *As you know, last year Congress enacted the Fish amendment which authorized the conduct of demonstration projects as alternatives to welfare dependency. It is my understanding that Washington and California may participate in these projects. What is the Volags view of these Fish amendment projects? Will the Volags participate in any fashion?*

   We heartily support the Fish Amendment. Currently, we are planning several collaborative projects to demonstrate alternative models

IV. Fish Amendment (Continued)

of resettlement and to test a variety of hypotheses about successful resettlement.

2. *Does it create confusion to have one project (I.E. Chicago Project) funded by the State Department and similar projects (I.E. Fish Amendment) funded by ORR? Are these projects duplicative?*

The Chicago Project is a single project in a specified location. Fish Amendment projects will be unique and be conducted in each of several locations. There are strengths in each approach. There is no duplication involved.

V. Reception & Placement Grants

1. *Please advise the Subcommittee as to the reasons why R & P Grants should not be transferred from the State Department to ORR.*

The R & P Grants are successfully managed at present by the Department of State as a natural extension of its area of authority and responsibility. ORR, as a part of the gigantic HHS bureauracy, naturally has as its principal client, the state and local governments. We would anticipate the loss of the central role of the sponsoring voluntary agency in an ORR managed R & P Grant. This would ill-serve the refugee. There are improvements which are on-going in the relationships now existing between the Department of State and the Voluntary Agencies. We continue to seek them in well-established on-going discussions.

V. Reception & Placement Grants (Continued)

2. *Does the State Department have the capacity and resources to properly monitor your activities?*

It is beyond our purview to make a judgment on this matter. In our view the State Department has conducted fair but critical monitoring and evaluating of our activities.

3,4,5. *What have the Volags learned from the State Department monitoring and evaluation effort? Has the State Department effort been helpful to Volags? Has it enabled you to improve your performance under your R & P Grants?*

Many of us have found the State Department monitoring and evaluation efforts useful in helping us to verify the strengths in our programs and to identify some weaknesses. Suggestions for improvements in resettlement activities have been constructive and helpful. The accountability inherent in such processes, helps us to sharpen our own internal monitoring and evaluation activity.

VI. Orderly Departure Program

1. *What is the Volags view on whether benefits should be extended to immigrants who are processed under the ODP program?*

We believe that these immigrants should receive benefits. Since they fit the definition of and have the same needs as refugees and since they are admitted here as immigrants only because the refugee admission numbers are limited, we believe they should receive the benefits they would otherwise be eligible for.

VI. Orderly Department Program (Continued)

2. *Does the disparity in treatment create confusion among your clients?*

   Yes, it does create some confusion and inequity.

V. Presumptive Medical Eligibility

1. *What is the Volags view on providing some form of presumptive medical eligibility or medical insurance for new arrivals so that they are not forced to rely on Medicaid? Will such an approach reduce dependency levels?*

   We believe that medical assistance should be unlinked to cash assistance so that medical benefits do not become a disincentive to employment. We expect such an approach to reduce dependency levels.

April, 1985

Illinois Department of Public Aid

Gregory L. Coler
Director

624 South Michigan Avenue
Chicago, Illinois 60605

April 29, 1985

The Honorable Romano L. Mazzoli
Chairman
Subcommittee on Immigration, Refugees,
and International Law
Washington, D.C. 20515

Dear Representative Mazzoli,

Enclosed please find answers to the additional questions resulting from the Hearing on reauthorization of the Refugee Act, H.R. 1452.

Thank you for the opportunity to express our views and to assist your deliberations in this area. We commend the excellent work of your staff in preparing for this legislative action and offer whatever additional assistance might be necessary.

Sincerely,

Edwin B. Silverman
State Coordinator
Refugee Resettlement Program

EBS:clr
enc.

cc: Ann Kiley

H.R. 1452 Testimony

Additional Questions

Submitted by: Edwin B. Silverman
On behalf of: Gregory L. Coler
Director
Illinois Department of Public Aid

A. CHICAGO PROJECT

1. As a major participant in this demonstration project, how do you view its progress to date?

RESPONSE: Although it is too early to draw conclusions, the Project appears to have improved Reception and Placement activity in the Chicago area.

For the period November 1, 1984 through March 31, 1985, the following data has been reported:

Arrivals	229 cases	763 persons
% Southeast Asian	47.6% cases	59% persons
% Other	52.4% cases	41% persons

15 cases referred to Public Aid
15 cases Out-Migration

In the caseload, there are 297 employable adults, 75 have been placed in jobs. Of the employable adults arriving in November, 55% are employed. Of those arriving in December, 40% are employed.

2. What is your role in the implementation of the Project?

RESPONSE: As State Coordinator, I have served on the Project Review Committee to oversee development and conduct of the Project. I have consulted extensively with the Volags and the Department of State (DOS) at all stages of development.

I feel that programmatic concerns expressed by the Illinois Department of Public Aid are being addressed but as yet are not fully resolved. Our concerns include: assurance that Project clients are treated equitably relative to State regulations; that the Project interfaces with state administered, Office of Refugee Resettlement (ORR) funded services; that the Volags pay heed to questions raised by the local Refugee Mutual Assistance Association; that data collection and the project evaluation reflect an accurate picture of the service outcomes and actual costs of the Project.

3. **What benefits, if any, have resulted in the Chicago resettlement program as a result of the Project? What detriments?**

RESPONSE: The Project gives the local Volags more staff to do what they are contracted to do under Reception and Placement. Illinois has long advocated the need to specify adequate staff levels for the time intensive activities that make up Reception and Placement. Considering the high percentage of family reunifications and anchor relative sponsorships, it is important that Volags have adequate employment staff to facilitate early employment.

It is clear from our experience, effective Reception and Placement means reduced long-term refugee utilization of public assistance.

Second, the Project has provided the occasion for the local Volags to clearly articulate what they do in Reception and Placement, how they do it, and how much it costs. The Project work plan discussion of Case Management, as well as the various report forms should be of interest to all Volags. These work products could be of national significance.

Third, the Project has promoted better inter-Volag understanding and cooperation. Although it must be assumed that complete standardization of Reception and Placement will never be achieved, the Project has promoted a clearer understanding of what norms can be applied to all Volags.

On the negative side, several problems have arisen. One problem is something of a schism between the MAA/refugee community and the Volags. The MAAs fear that new arrivals will not be referred promptly for MAA services. The MAAs competed successfully to provide adjustment and employment services. Now the DOS contract has effectively barred MAAs and other potentially qualified providers in Chicago from serving new arrivals for six months. The MAAs have Performance Standards to meet, the Volags are placing the strongest clients in jobs before they get to the MAAs. The MAAs view this as unfair competition.

This situation exemplifies some of the problems encountered by State Coordinators in the effort to develop non-duplicative, coordinated resettlement service delivery with two federal funding sources, ORR and DOS.

Second, it remains to be seen whether the Volags can, on a systemic, extended basis, provide income maintenance and invoke sanctions without the kind of litigation experienced by welfare systems. We are concerned that all refugees in Illinois be treated equitably.

4. How transferrable do you view the methods of the Chicago Project to be?

RESPONSE: A complete answer will be contingent on the DOS planned evaluation of the Project.

Certainly various components, the policies, procedures, standardized forms, and budgetary data, will benefit all Volags nationwide. We will also have a better understanding of the implications of and requirements for Volags providing direct income maintenance and medical assistance.

Generally, the Project model would function best in urban areas with a substantial flow of new arrivals. The Project also requires experienced, professional local Volags.

Finally, the Project is rather costly. Reception and Placement staffing has not been a direct federal cost item. For the Project it is approximately $810,000 or $600 per capita based on six months arrivals. The volag staff and administrative resources needed to process income maintenance duplicate the state and local resources required for the same type of functions. It remains to be seen to what extent the enhanced early entry to employment by Project refugees will offset these new costs.

If the current Project were replicated nationwide, $21 million would be required for Reception and Placement staffing to resettle 70,000 new arrivals annually. If my calculations are correct, the allocation could safely be reduced by 20% to $17 million - contingent upon careful and equitable accounting for local client to staff ratios.

In addition, the DOS (or ORR/DHHS if administrative responsibilities for domestic resettlement were transferred) would require new staff capacity to legitimately monitor the provision of precisely accountable services. I would estimate the cost at $1.5 million.

5. Do you feel a similar method could be structured within the public sector? If so, how?

RESPONSE: Various characteristics of the Chicago Project could be implemented by the public sector.

The first prominent feature of the Project is enhanced Case Management. The Project work plan and current ORR activities in this area should lead to a clear definition of Case Management and a legitimate range of costs.

- Current Reception and Placement procedures do not specify staffing resources at the local level. Staffing allocations could be procured and thereby greater accountability for service delivery.

A second feature of the Chicago Project is enhanced oversight of Reception and Placement. The DOS, ORR/DHHS, and the State Coordinator get regular and complete accounting of Project activities, and thus the Volags have been motivated toward enhanced service delivery.

Some mechanism is required to provide greater oversight and accountability for Reception and Placement activities in general.

Currently both DOS and ORR notification to State Coordinators of arrivals and assurances has been effective. We do not receive precise information on local addresses and assurance that core reception services have been provided. Such assurance would enhance accountability at the local level and enable earlier provision of ORR-funded services.

B. GENERAL

1. What has been your experience with Mutual Assistance Associations and how do you view their role and contribution?

RESPONSE: Illinois has fully supported the ORR MAA initiative. We have set up a rather unique technical assistance mechanism to insure that our MAAs will be successful.

The eight MAAs funded by our office are developing splendidly, each at its own pace. They have respected representatives on both Governor Thompson's and Mayor Washington's Asian Advisory Committees.

The MAAs are playing an increasingly important role in employment services. The Hmong Center has been more effective in dealing with the Hmong than established agencies in previous years.

If Reception and Placement were procured by open and competitive bidding there is no doubt that many MAAs in Illinois and elsewhere would be successful. I believe the Southeast Asian MAA role in Reception and Placement should be explored and promoted.

2. What has been your experience with the voluntary agencies and how do you view their role and contribution?

RESPONSE: Illinois has been supportive of our local volag efforts, impressed by their dedication and accomplishment, and confirmed in their essential professionalism. If we do not always agree on issues, we always have open communication. I believe the communication and the Volags' continual improvement of service delivery have been made possible because they hold substantive state-administered, ORR-funded contracts.

It is clear that the Volags' capacity to tap community resources is fundamental to successful refugee resettlement. Further, their participation legitimizes resettlement as a community rather than a governmental responsibility.

3. What do you see as the single-most impediment to newly arrived refugees obtaining/desiring a job?

RESPONSE: A critical remaining problem is that the loss of public medical assistance is a deterrent to early employment. We have begun to explore the possible use of HMOs and the purchase of six months care as an incentive for refugees obtaining early employment. Congressional or federal directives in this area could be helpful to develop demonstration projects.

A second problem is negative client attitude. In Illinois we use client contracts to make it clear that refugees have a responsibility to seek and retain employment as a condition of receiving income maintenance and services. With a tightening of the overall federal system, refugees in the RPC, resettled by all Volags, resettled in all states, could be given a clearer message about early employment.

Some additional efforts are required to improve the nature of language training. Recent ORR projects in the area of Vocational English Language Training could have a substantial impact and sharpen focus on what we call Work English. We also have found Job Workshops an effective tool to prepare refugees for employment and employment retention.

4. How does your state implement the sanctioning provisions? Are the provisions adequate to solve the problem?

RESPONSE: In Illinois the Case Managers are responsible for acquiring reports of non-compliance from service providers, assessing their validity, and recommending sanctions to income maintenance units. Such procedures have steadily improved.

The current federal directives are adequate. However, effective and consistent sanction procedures require strong Case Management capacity.

5. Please explain your method of coordination and/or cooperation with the various public and private agencies involved in refugee resettlement in Illinois. Do you receive adequate cooperation from all the agencies?

RESPONSE: In Illinois we have two consortia, one in Chicago, one for providers outside Chicago (with somewhat different requirements). The Jewish Federation of Metropolitan Chicago serves as a prime contractor for 17 provider agencies. The JFMC administers contracts; provides coordinated training, technical assistance, and information dissemination; and coordinates local planning efforts. This arrangement has assured high quality, specialized administration without requiring expansion of state agency staffing. A similar administrative entity served the statewide program but was phased out in 1983 as the service needs outside of Chicago diminished.

I would say that we have received an unusually high level of cooperation from the participating agencies. One important factor is that we have carefully considered provider recommendations in the development of policy and procedures. A second factor is that our contracts clearly specify what is required in the process and outcome of service delivery.

Further, Volags that resettle refugees in Illinois (in small numbers) without full agency presence have been asked to establish working relations with the active Volags in Illinois. Thus, for example, IRC and Tolstoy clients have direct and early referral to the Case Management/Volag agencies funded by IDPA.

6. What changes in the resettlement process, either by law or otherwise, would you like to see?

RESPONSE: As we have suggested in our testimony, we believe the Refugee Act provides sufficient authority to implement effective refugee resettlement.

Again, we must say that effective Reception and Placement produces less refugee utilization of public assistance, and thus reduced overall program cost. Effective Reception and Placement requires reliable staffing at the local level and can only be achieved by accountable service procedures and outcome. Either the DOS, ORR, State Coordinators, or some combination need the capacity not simply to "consult" on but to "coordinate" Reception and Placement activities.

NATIONAL
ASSOCIATION
of
COUNTIES

440 First St. NW, Washington, DC 20001
202/393-6226

May 13, 1985

MEMORANDUM

TO: House Subcommittee on Immigration, Refugees and International Law

FROM: Tom Joseph, Legislative Representative

SUBJ: NACo Responses to Written Questions from April 17, 1985
Oversight Hearing

Enclosed please find Rachel Rhea's responses to your written questions. If we may be of additional assistance, please contact me.

TJ:sp
Enclosure

National Association of Counties
Responses to Representative Mazzoli's Questions
During Refugee Oversight Hearing
April 17, 1985

1. What types of projects have been funded by federal target assistance and why do you think continuation of funding is essential?

   The majority of targeted assistance monies are funding economic development, agricultural development, on the job training, vocational training, and job development projects. Targeted assistance projects have been designed to be consistent with the local labor market demands and to place welfare dependent refugees into employment. Examples of specific targeted assistance projects are:

   A. A project was funded to teach refugees how to repair home computers. As a result of having trained and qualified repair technicians, refugees established a successful business repairing computers and employing the trainees.

   B. Refugees in the agricultural Central Valley of California have started small specialty farms and are successfully marketing their produce.

   C. Refugee women have been trained to provide child care services and qualify for state licensing. This has enabled these refugees to either work in an established child care facility or start their own child care service.

   D. Refugees have been trained and have become licensed Vocational Nurses (LVNs). This not only provides employment, but also starts to build the capacity to serve refugees through mainstream health providers.

   Targeted Assistance funding should be continued for several very fundamental reasons:

   A. Impacted counties continue to be disproportionately affected by refugee resettlement. Fifty percent of all the refugees in the United States are living in California. Of these, 97 percent live in nine counties. In Los Angeles County, one in every ten refugees who entered the country have been directly resettled in Los Angeles County. Added to this are a substantial number of refugees who have migrated from other states. (Forty percent of all the refugees on public assistance in California are secondary migrants. Of these, 75 percent were receiving cash assistance in the State they were initially resettled in.) The Administration's assumptions that targeted assistance funds are no longer necessary because of the lower level of new arrivals ignores the service needs of the rest of the time eligible and all of the time expired refugees. Counties continue to have large numbers of dependent refugees who are in need of employment services and for whom services previously have not been available. Without the continuation of targeted assistance funds, the employment and training service needs of these refugees will not be met.

B. The upfront investment of targeted assistance funds is very cost-effective. Targeted assistance projects are successful in placing refugees into jobs and removing them from welfare dependency. If targeted assistance funds are not continued, more refugees will remain welfare dependent. Even when the AFDC refugee becomes time-expired, the federal government will pay for 50 cents of every AFDC dollar spent. The cost of the federal government will continue as long as the refugee is on aid. For Los Angeles County alone the annual federal AFDC share for time-expired refugees will be more than double the entire proposed $50 million for targeted assistance. The continuation of targeted assistance and its placement of welfare dependent refugees will reduce the expenditure of federal AFDC funds by more than the cost of the program.

C. Targeted assistance funds are being spent on the "capacity building" of Mutual Assistance Associations (MAA) through economic development and technical assistance projects. The majority of the targeted assistance projects have been operational for twelve months. (Project implementation was delayed primarily because the untimeliness of the issuance of final program regulations and delays in the approval of state plans by ORR). It would be premature to terminate current and all future abilities of MAAs to be viable resources for effective refugee resettlement.

2. Is it NACo's position that Targeted Assistance should be a permanent program? At what point should it be discontinued?

The purpose of the targeted assistance program is to provide assistance to counties that are highly impacted by refugee resettlement and to reduce the welfare dependency rate. As stated above, there continues to be a need and demand for targeted assistance services. Targeted assistance should be continued as long as counties have large numbers of dependent refugees, the projects are successful in quickly placing refugees into employment, and it is cost-effective.

3. The Administration is also proposing that Refugee Children Education Assistance be terminated. Again, at what point whould that program be terminated?

   Except for a few states, counties do not operate education programs. However, it is important that this assistance be provided as long as large numbers of refugees enter the U.S.

4. Recent ORR guidelines require states to spend 85 percent of their social services dollars on employment related services. What is NACo's position on that policy?

   NACo agrees with Congress that social services funds should be used to make refugees economically self-sufficient as quickly as possible. However, the 85/15 requirement is arbitrary. It ignores the varying needs among refugee groups, states, and counties, the direct role non-employment services have in economic self-sufficiency, and the needs of women, children, disabled and elderly. It fundamentally undermines the states and counties' abilities to administer the program.

   Standards should not be set to define how much money is to be spent on what types of services. The standard should be what resulted from the funds expended, how many refugees were employed and removed from welfare.

5. H.R. 1452 requires VOLAGS to file quarterly performance and financial status reports with the State Department. It also requires them to file annual reports describing the number, location and welfare rates of refugees placed. What is NACo's position on these provisions?

   NACo agrees with the proposed VOLAG reporting requirements and recommends that the following provisions should be included in the reports:

   A. VOLAGS should report quarterly the number of refugees they directly place into employment, (not to include those placed with social services, targeted assistance, or JTPA funds), the specific services directly provided by the VOLAG, and the cost per service. VOLAG reporting requirements should be more closely aligned with the reporting elements required for social services and targeted assistance funds.

   B. VOLAGS should only be required to report on services provided and paid for from the reception and placement grant.

6. Are you satisfied with ORR's efforts to establish a mechanism for quarterly consultation between VOLAGS and local officials? Are VOLAGS consulting with the counties before they resettle refugees?

ORR has not established or implemented any effective methodology for any on-going consultation between the VOLAGS and local officials. The Refugee Act requires the Director of ORR to be responsible for state and local consultations. ORR has delegated and abdicated this responsibility to the states without any guidelines, requirements for feedback, or evaluation mechanisms. As a result, there are no formal consultations between the State, VOLAGs, and local officials to develop policies and strategies for effective refugee resettlement.

7. Do you believe that refugees should be made presumptively eligible for medical assistance? Would their separation of medical assistance from cash assistance promote self-sufficiency?

All refugees should meet a means test to be eligible for medical assistance. The major disincentive in the cash assistance system from accepting employment is not a means test but rather the 100 hour work rule for AFDC-U cases. Seventy-five percent of the refugees receiving AFDC in California are AFDC-U cases. As a result of the 100 hour work rule, if the refugee works more than 100 hours during the month, regardless of income, they lose their eligibility for medical assistance. Many refugees will not work more than 100 hours because they cannot afford to lose their medical coverage.

8. What is NACo's position on the Lungren Amendment? Should the amendment be modified to include language to specifically prohibit newly arrived refugees from receiving cash assistance under federal welfare programs?

NACo supports the concept of making the VOLAGS responsible for the refugees for the first 90 days they are in the county. If the VOLAGS are to be responsible for the refugees, it is necessary to clearly define their responsibilities and give them adequate resources to meet these responsibilities. If the VOLAGS provide these resources to the refugees, it may not be necessary to provide cash assistance. Refugees should not be made categorically ineligible for cash assistance during the 90 day period. States and counties must be given assurances that cash and medical assistance costs will be rembursed if the welfare department determines and verifies the lack of services and resources from the VOLAG during the 90 day period.

9. Under Lungren, would states and counties be justified in denying cash assistance to otherwise eligible refugees who have been here fewer than 90 days?

If the voluntary agencies do not provide adequate resources to meet the basic living needs of the refugees and the refugee meets the cash assistance eligibility criteria, they should not be denied aid. Most states and counties are required under their own constitutions to assist individuals who are eligible for assistance, regardless of whether they are a refugee or U.S. citizen.

10. **Should VOLAGS that do not comply with the Lungren Amendment (assuming it is enacted) be subject to civil liability in a suit brought by the refugee? Should the federal government be given specific authority to file suit on behalf of such a refugee?**

It is not appropriate for the VOLAGS to be subject to civil liability law if they do not comply with the provisions of Lungren. The voluntary agencies should be subject to the requirements of contract law. If they do not provide an adequate level of service or expend funds within the terms of the State Department - VOLAG contract the provisions in contract law for non-compliance should be invoked.

11. **How would the Lungren Amendment affect placement policies? Would VOLAGS, because they are footing the bill, start placing more refugees in states and counties where the cost of living is low?**

Without adequate provisions in the Lungren Amendment, it is likely that VOLAGS would place more refugees in states and counties where the cost of living is low. To ensure that this does not happen, the VOLAGS must be given adequate resources to resettle refugees throughout the country. In addition, assurances must be given that if a refugee migrates to another state during the 90 day period, the VOLAG continues to have responsibility and will have the ability to transfer necessary resources from one state to another.

12. What should be done with refugees who, during that initial 90 day period, leave their VOLAG and relocate to another state? Should they be eligible for cash assistance? If not, would that be considered an unconstitutional restriction on the right to travel?

As stated above, the VOLAG resources must follow the refugee if they migrate to another state during the 90 day period. If VOLAGS in the state of secondary migration do not meet their responsibility and provide for basic needs, the refugee should not be prohibited from applying for cash assistance.

CALIFORNIA REFUGEE DEMOGRAPHICS

(Source document Refugee Characteristics Survey.
Completed by California State Department of Social Services).

1. Sex

70% Male
30% Female

2. Age

0 - 5 years	20.4%
6 -17 years	35. %
18 -21 years	5.4%
22 -40 years	26 %
41 -64 years	12.8%
65 plus	.4%

3. Education: Skills

Average education - 8.5 years
Less than high school education - 4.8%
Transferable skills - 22%
Non-transferable skills - 78%

4. Time Eligibility

Time eligible - 50.1%
Time expired - 49.9%
Time eligible primary migrants - 57.8%
Time eligible secondary migrants - 39.1%

5. Total number of months on cash assistance since arrived in California

1 - 6 months	9.2%
7 -12 months	14.1%
13 -18 months	12.8%
19 -24 months	13.1%
25 -36 months	23.4%
37 -48 months	15.4%
49 plus months	6.4%

NATIONAL
ASSOCIATION
of
COUNTIES
440 First St. NW, Washington, DC 20001
202/393-6226

CALIFORNIA ALLOCATION OF FUNDS - EMPLOYMENT DIRECTED

1. Social Services Funds

	Contracts(3)	CWD(4)	IHSS	Total
January 1984 (annualized)				
a. Employment Directed (1)	$12.7 M	$1.2 M		$13.9 M
b. Non-employment Directed (2)	2.5 M	2.3 M	$3.0 M	7.8 M
Total	$15.0 M	$3.5 M	$3.0 M(5)	$21.7 M(6)

(1) Employment Directed - These services include assessment, ESL, vocational ESL, vocational training, and employment placement.

(2) Non-employment Directed - These services included health assessing, mental health, social adjustment, and Title XX mandated services, such as adult and child protective services.

(3) Contracts - are contracts awarded to community based and public organizations for the delivery of refugee social services.

(4) CWD - include funds allocated to County Welfare Departments for employment directed services and mandated Title XX services.

(5) California State Department of Social Services estimates that the IHSS cost for refugees in FFY '85 will be $5 - $7.5 million.

(6) These totals include $2 million in non-refugee Title XX funds. During FFY 1984, these funds were used to supplement funds provided by ORR for refugee social services and made, if possible, to devote 70 percent of ORR's social services funds to employment directed programs in FFY 1984.

APPENDIX III

Cooperative Agreement

United States Department of State

Washington, D.C. 20520

TO: Potential Applicants

FROM: Bureau for Refugee Programs
Department of State

SUBJECT: Cooperative Agreements for Reception and Placement Services

I. Purpose and Scope

This Request for Proposal (RFP) is to provide notice of the availability of federal funds for reception and placement services to refugees who are admitted to the United States during the period January 1, 1985 to September 30, 1985. Funds will be awarded through cooperative agreements between the Bureau for Refugee Programs and public or private nonprofit agencies, under the authority of Section 412(b) of the Immigration and Nationality Act, as amended (hereinafter referred to as "the INA").

The goals of the the Reception and Placement Program are to ensure the timely admission into the United States of refugees approved under applicable provisions of the INA and to assist refugees to become self-sufficient through employment as soon as feasible after arrival in the United States.

The purpose of the funds awarded by the Bureau is to provide partial financial support to agencies which undertake to ensure appropriate sponsorship and initial resettlement services for refugees approved for admission to the United States and assigned to that agency through an allocations process under the supervision of the Bureau.

The general categories of service include sponsorship assurances, pre-arrival services, reception and material support for a period of 30 days, and counseling and referral. In addition, there are specific requirements for services to children being resettled with relatives other than their natural parents.

The provision of the services specified in the cooperative agreement is intended to preclude, during the first thirty (30) days that refugees are in the United States, any necessity for reliance by the refugees on cash assistance authorized under Section 412(e) of the INA.

Participating agencies or their designees are required to participate in various coordinating and consultative meetings to ensure smooth, effective and efficient refugee resettlement.

Applicants are requested to take particular note of new requirements for (1) services to Asian-American children and their accompanying family members and (2) collection of transportation loans (see Section VIII).

For an interim period commencing January 1, 1985 it is the intention of the Bureau to extend cooperative agreements with agencies currently providing resettlement services to unaccompanied minors. Consequently, the Bureau is not requesting proposals for this sub-program under this RFP. An assessment of the future requirements of the unaccompanied minors foster care program may lead to a subsequent RFP.

Applications to this RFP are due December 12, 1984.

II. Program Duration

The period of the cooperative agreement will be January 1, 1985 to September 30, 1985. However, it is the intent of the Bureau to continue the program and services described in this RFP into FY 1986, subject to legislative authorization and the availability of appropriated funds. Consequently, applicants are asked to indicate their ability and willingness to provide the services specified in Section VII of this RFP during the period of the cooperative agreement and for up to one year thereafter.

Any extension of the cooperative agreement for all or part of FY 1986 shall be conditional upon satisfactory performance by the agency and by the Bureau's determination that such extension is essential for the smooth continuation of the program. Caseload and funding levels for FY 1986 will be established by the Bureau subsequent to the identification of authorized admissions levels and appropriations for that period.

III. Eligible Applicants

Applicants must be public or private non-profit agencies having the ability to coordinate sponsorship and initial resettlement services on the national level and to provide such services through a network incorporating several geographically dispersed localities within the United States.

Exceptions to this criterion will be considered if the applicant can demonstrate the ability to provide the required services in a geographic area which the Bureau deems, in consultation with other appropriate government entities, to be suitable for the development of additional resettlement capacity and to present favorable opportunities for refugee employment. In such cases the applicant will be expected to describe in the proposal a formal arrangement with a national resettlement organization able to represent it in liaison with the RDC on allocations and reporting matters.

IV. Funding Procedures

The Bureau's Reception and Placement Program for FY 1984 has been funded on the basis of a per capita payment level of $390 for refugees from the Eastern Europe/Soviet Union area and $560 for all other refugees. Subject to the availability of funds, the levels for FY 1985 may reflect a modest increase to incorporate an inflation factor.

Upon the award of a cooperative agreement, the Bureau will establish a federal letter of credit in favor of the agency against which the agency is authorized to draw funds. Payment of funds will be verified against a monthly nominal roll of refugee arrivals.

V. Sponsorship Procedures:

Assignment of new cases to participating agencies shall be administered on behalf of the Bureau by the Refugee Data Center (RDC), 200 Park Avenue South, New York, New York 10003. Refugees registering overseas to join family or friends in the United States will, as a matter of preference, be assigned to whichever agency sponsored the closest anchor refugee, subject to the continued interest and ability of that agency to perform the services required by the Cooperative Agreement.

Instances in which more than one participating agency has a prior relationship to a case will be resolved directly between the agencies concerned, with the Refugee Data Center acting as impartial observer. Conflicts which are not resolved by the parties concerned shall be referred by the RDC to the Bureau.

All prior interest cards filed with the RDC must bear the name and address of a private individual who is a citizen or lawful permanent resident alien of the United States, but excluding agency employees, unless such employee is a relative of the refugee to be sponsored. (For relatives following to join an anchor refugee who has not yet obtained PRA status, either the original sponsor of the anchor refugee or another individual sponsor must be named.)

All sponsorship assurances filed with the RDC must bear the name and address of a responsible individual (who may be an agency employee) at the final destination of the refugee. Where urgent circumstances do not permit the prior identification of final destination, the agency may submit an agency office or transit facility address with the proviso that the agency will insure that the final destination address of the refugee is reported to the RDC and to responsible local government offices as soon as it becomes known.

Agencies are required to submit sponsorship assurances to the RDC within 60 days of the date of allocation or, in the case of refugees enrolled in overseas ESL/CO programs, at least 30 days prior to the ESL/CO graduation date. Failure to perform satisfactorily in this area shall be cause for the reallocation of specific cases to an agency able to provide prompt sponsorship and for a reduction in the number of cases assigned to the agency.

VI. Refugee Caseload

Presidential Determination No. 85-1, dated September 29, 1984, establishes the FY 1985 refugee admissions ceilings as follows:

Africa	3,000
East Asia	40,000
East Asian ODP	10,000
Eastern Europe/Soviet Union	9,000
Latin America/Caribbean	3,000
Near East and South Asia	5,000
Total	70,000

In developing proposals responding to this RFP, applicants are requested to consider this potential level of resettlement activity, and to design programs for the forthcoming cooperative agreement period which take account of the changes in the refugee admissions caseload from FY 1984. Applicants should note in particular that the Presidential Determination establishes a new category, "East Asian ODP," which will be reflected in a corresponding new line in the caseload projection incorporated into the cooperative agreement.

Proposals should indicate the optimum caseload desired by the agency, with an estimated distribution among the six area groups indicated above. Caseload projections should be further broken down for each group between (a) refugee anchor or interest card cases and (b) free cases.

The estimates for "anchor" cases should be supported by historical data which documents previous agency percentage shares of the resettlement caseload, if applicable, or of the current refugee population for which the agency performs related services in the prospective resettlement areas.

The estimates for free cases should be supported by a narrative justification of the agency's capacity to provide the required services and by an elaboration of the agency's resettlement program objectives which are inherent in the caseload level requested. For agencies who participated in the Reception and Placement program in FY 1984, the proposed level of free case should not exceed the FY 1984 level by more than 10%.

The projected resettlement caseload for each agency approved by the Bureau will become part of the cooperative agreement and will be the basis for the level of funding established for that agreement. The distribution of the resettlement caseload among the several successful applicants will be determined by the Bureau in accordance with (a) the historical data elements identified in this Section, (b) an analysis of the free case projections and capacities of the respective agencies, and (c) the objectives of the program as specified in this RFP.

Applicants are requested to confirm in their proposals their understanding that the caseload figures which appear in the cooperative agreements represent projected levels of activity which may vary according to events, revised admission ceilings, processing priorities and other program needs which may be established by the Bureau during the course of the cooperative agreement period. For its part, the Bureau will undertake to manage the program in a manner which takes account equitably of the caseload expectations of all participating agencies as established in the several cooperative agreements.

VII. Reception and Placement Service Requirements

1. Pre-arrival Services

a. Establishment and maintenance of a case file on each arriving refugee unit to include 90 day service form (s), biographical data, health information, level of English language capability, and other pertinent information to assist in developing plans for employment and service needs of arriving refugees;

b. Responsibility for sponsorship of the refugees covered under this agreement, which may not be delegated to any other entity or individual. When a family or individual receiving welfare is united with an arriving refugee, the XX shall take direct action to ensure that each refugee is encouraged and guided towards employment as quickly as possible;

c. Orientation of any individual or group who will assist in sponsorship to include an explanation of the sponsorship process, resettlement, and the XX's role in each; and

d. Facilitation of refugee travel to resettlement sites in the U.S.

2. Reception Services

a. Meeting the refugees at the airport of final destination and transporting them to living quarters;

b. Providing decent, safe and sanitary housing for a minimum of 30 days;

c. Providing essential furnishings;

d. Providing food or a food allowance and other basic necessities of the refugees for thirty (30) days after arrival;

e. Providing necessary clothing for the refugee upon arrival; and

f. Providing assistance to the refugees in applying for social security cards and in registering children for school.

3. Counseling and Referral Services

a. Orientation

Ensuring that the refugees are:

(1) Apprised of the role of the XX and of any other individual or group assisting in sponsorship;

(2) Knowledgeable about public services and facilities;

(3) Aware of requirements of personal and public safety;

(4) Familiar with public transportation; and

(5) Aware of standards of personal and public hygiene.

b. Health

(1) General orientation to the health care system in the resettlement area;

(2) In regard to refugees with Class A health conditions or Class B conditions affecting the public health (as designated from time to time by the Public Health Service), assurance that these refugees report within seven days of arrival to the official public health agency in the resettlement area;

(3) Assistance to the refugees in obtaining health assessment services through available State or local public health programs after their arrival in the resettlement area;

(4) Cooperation with State or local public health officials sharing information needed to locate and provide health services to refugees; and

(5) For a refugee who has a history of mental illness, assuring that within 30 days of arrival in the U.S. such refugee receives an initial evaluation by the health care provider who supplied a written commitment prior to the granting of a waiver for admission.

c. Employment Related Services

(1) Job counseling to employable refugees shortly after arrival and referral of employable refugees to job placement or training programs;

(2) Notifying the appropriate county or other local welfare office at the time the XX (or local affiliate) becomes aware that a refugee receiving welfare benefits is offered employment or has voluntarily quit a job and notice to the refugee that such information has been provided to the welfare office; and

(3) Responding to contacts from a State or State agency relating to a refugee's application for and receipt of cash or medical assistance, including furnishing documentation respecting any cash or other resources provided directly by the XX to the refugee.

d. Coordination

Coordination with other locally available information and referral services or case management systems with respect to the services mentioned in this subsection.

4. Assistance to Children Separated from Parents

a. For a minor being united with relatives other than parents:

(1) Prior to a minor's arrival, visiting the hone of the relative to determine the suitability of the placement;

(2) Upon the minor's arrival, taking all necessary steps to ensure that legal responsibility for the minor is established properly and promptly, according to State law;

(3) Maintaining regular contact with the minor for at least 90 days;

(4) Maintaining individual records of assistance to the minor and of the minor's needs during the 90-day period; and

(5) Making a follow up visit 90 days after arrival to determine the continued suitability of the placement, arranging alternate placement, if necessary, assessing the need for continued services, and arranging for such services, if needed;

b. For a minor who enters the country with a non-related refugee unit or with relatives other than parents:

(1) Assessing promptly the suitability of the child's placement within the unit;

(2) Explaining to the relatives or other individuals the nature and expectations of U.S. legal and cultural child care practices;

(3) Assuring that legal responsibility for the child is established properly and promptly, according to State law;

(4) Maintaining individual records of assistance to the child and of the child's needs during the 90-day period; and

(5) Maintaining regular contact with the child for at least 90 days.

5. Consultation with Public Agencies

a. Conducting activities in close cooperation and advance consultation with State and local governments;

b. Participating in meetings of State and local governments to plan and coordinate the appropriate placement of refugees in advance of their arrival;

VIII. New Service Requirements

1. Services to Asian-Americans

The Bureau intends to include a new section in the cooperative agreement dealing with the services required for ODP Asian-American cases. Draft provisions for this section have been circulated for comment under separate cover. These provisions include:

-- determining the availability of appropriate support services in the local school district;

-- identifying professional counseling and mental health services which could be accessed, on a contingent basis;

-- performing follow-up home visits; and

-- providing a complete case history to the responsible state or county case management agency at the end of the 90-day period.

2. Transportation Loan Collection

The Bureau is placing new emphasis on the repayment of the transportation loans arranged by the Intergovernmental Committee for Migration. The collection of these loans by the sponsoring voluntary agencies is considered an important function in the overall resettlement process and will constitute an element in the evaluation of the proposal. Agencies are requested to include an explanation of the system and procedures employed for transportation loan collection and, if applicable, a report of the collection results during FY 1984.

If an agency does not have the facilities to collect these loans, it may wish to enter into a formal arrangement with another organization participating in the Reception and Placement program which has an established loan collection system.

IX. Reporting Requirements

A. Financial

The agency shall submit a monthly nominal roll and a copy of the letter of credit draw down voucher. The agency shall submit an interim financial report and a final report of sponsorship claims no later than December 31, 1985. A final financial report is due by December 31, 1986.

The agency will be required to submit quarterly reports of transportation loan collections.

B. Program

The agency will be required to submit by July 31, 1985 a six-month program report which describes activities carried out during the period January 1, 1985 to June 30, 1985, including an estimate of the total expenditures of the agency, broken down by source of funds, to perform the services specified in the cooperative agreement. The report should distinguish between expenditures at the level of the sub-office responsible for resettlement in the state where the refugees are placed and expenditures for activities at the national or regional level. A final program report will be due January 31, 1986.

The agency will also be required to submit to the Bureau a quarterly statistical report, in the format provided at Attachment C, which summarizes, by state of placement:

1. total number of refugees resettled during the quarter;

2. the number of refugees who had, before the end of the 90-day period, migrated to other states;

3. total number of refugees (individuals not cases) determined to be employable, of which the number who were at the end of 90 days:

(a) employed full-time;

(b) employed part-time;

(c) not employed, but attending ESL or other training; and

(d) not employed, other than (c).

4. number of elderly, ill or otherwise non-employable adult refugees resettled;

5. total number of children and, of these, number enrolled in school.

This report will be due 120 days following the end of each calendar quarter: i.e., July 31 for arrivals during the period January-March; October 31 for arrivals during April-June; and January 31, 1986 for arrivals during July-September.

X. Bureau Monitoring

The Bureau may, on appropriate notice to the agency executive director (or equivalent), conduct monitoring visits to the agency headquarters or to any affiliate or subcontracting entity to which the agency has assigned or delegated responsibility for performing the functions specified in the cooperative agreement. Any observations, findings or recommendations which may result from such visits will be a matter for consultation between the Bureau and the agency's headquarters prior to the issuance of a formal report.

Where it has been determined that corrective action is required in order to ensure compliance with the terms of the cooperative agreement, the Bureau may make a follow-up visit after an appropriate time interval. Failure to accomplish the corrective action within six months of the date of the formal report of the initial monitoring, or within such other period as may be agreed between the Bureau and the agency, shall constitute a basis for the exclusion from the reception and placement program of the affiliate or subcontracting entity concerned.

XI. Proposal Evaluation

A. Process

A review panel will be convened to review all complete proposals submitted in response to this RFP.

Program and financial officers designated by the Bureau will conduct a preliminary examination of proposals for completeness. Proposals which fail to respond to all required elements of this RFP will not be referred to the evaluation panel scheduled to meet in December, but will be returned to the applicants with the missing items identified. Although the Bureau may convene a second panel at a later date to consider resubmitted proposals, applicants should be aware that the time required for this process could lead to a break in funding for an agency currently participating in the Reception and Placement program.

All proposals will be reviewed, evaluated and rated on the basis of the criteria listed below. Applicants are requested to follow the outline set forth below (Paragraph B). The maximum points achievable for each evaluation element are indicated below (Paragraph D). The maximum possible score is 100 points. Applications which receive a rating of fewer than 70 points will be rejected.

A separate evaluation will be made of that portion of the proposal which addresses services to the Asian-American caseload. Applicants are requested to include a separate section in the proposal, again following the outline of Paragraph B, with the addition, under Point 6, of the specific service requirements identified in Section IX of this RFP. The maximum points achievable for each evaluation element are indicated below (Paragraph E). The maximum possible score is

70 points. Applications which receive a rating of fewer than 50 points will be rejected.

The contents of the proposal of a successful applicant shall be incorporated and made a part of the cooperative agreement.

Approved applications will be returned to the program office which will establish the estimated caseload figures for each cooperative agreement based upon: (1) the requirements of the program, (2) the numbers requested in the individual proposal, (3) mathematical reconciliation of the several successful proposals considered collectively, and (4) recommendations received from the review panel.

The Office of the Comptroller will then establish the financial data for each cooperative agreement and transmit the cooperative agreement to the individual agency for signature.

B. Content

The proposal should be structured to include a separate discussion of each of the following ten elements:

1. Experience in providing reception and placement service to refugees; experience in providing other resettlement assistance to refugees. The proposal should include a statement of the agency's policy towards early refugee employment and self-sufficiency, the practices used in support of the policy, and demonstrated results.

2. Plan for refugee placement, including a description of the agency's network of national, regional, state and local units, the staffing arrangements to ensure delivery of core services, and the agency's policy and practice respecting the involvement of ethnic community organizations.

3. Policy on subcontracting and your criteria for selecting subcontractors, accompanied by a list of current subcontractors and the documents(s) used to establish the relationship.

4. Ability to generate private sector resources to supplement the financial support for your agency's domestic resettlement activities provided through the cooperative agreement. The proposal should include a statement concerning the cash and in-kind contributions from private sources which the agency applied to the assistance of refugees who arrived in FY 1984, during

their first six months in the country. Cash and in-kind contributions which were identified as fulfilling a matching requirement for other federal, state or local government funding agreements should be excluded from the figures provided. The proposal should contain a similar statement which estimates the private source contributions to be applied to the FY 1985 caseload projected in the proposal (annualized figures).

5. Sponsorship arrangements, including:

   -- the role of the agency as the principal sponsor;

   -- the role of other entities or individuals;

   -- the role of anchor relatives, including a statement of the agency's policy respecting core services delivery to refugees being united with families on welfare; and

   -- the agency's policy towards multiple sponsorship (for example, a person or group assisting five or more refugee cases over a six month period).

6. Methods, activities and plans for the provision of the reception and placement services, broken down into the five major categories indicated in Section VII.

7. Procedures for maintaining a 90-day reception and placement program including:

   -- plans for periodic outreach to the refugee; and

   -- copies of forms used to collect information on each refugee (or case), including an intake form, a service plan form,a 90-day service report form and a form on special needs children.

8. Plans for monitoring local affiliates, including refugee and sponsor interviews. A schedule of monitoring performed in FY 1984 should be included, if applicable.

9. System and procedures for the collection of refugee transportation loans arranged by the Intergovernmental Committee for Migration. If applicable, a report of collection results during FY 1984 should be included.

10. Procedures for program management, supervision and internal coordination within the agency's network to ensure effective service delivery and reporting.

C. Geographic Distribution/State Descriptions:

The proposal should contain, for each state in which the agency intends to resettle refugees, a narrative including: (1) a description of the agency's local organizational structure, including identification of the linguistic qualifications of persons performing reception and placement services, (2) the names and addresses of responsible individuals, (3) a description of the agency's plan for service delivery, and (4) a numerical projection of the estimated number of resettlements for each of the six consultation categories. These projections should be annualized in accordance with the FY 1985 admissions ceilings and should be differentiated between (a) refugee anchor or interest card cases and (b) free cases.

The format for the narrative state descriptions should follow the format employed in the document: "Voluntary Resettlement Agency--State Specific Descriptions," published formerly by the American Council of Voluntary Agencies for Foreign Services, Inc., which is available from the Bureau on request. An updating of the previous year's document will be accepted and should be appended to the proposal in a detachable manner.

In addition, the proposal should contain a statistical summary of the agency's national program in the format of the chart attached at Attachment A. A similar chart for actual arrivals in FY 1984 should be submitted as Attachment B. The latter information should be consistent with the end of fiscal year report prepared by the RDC.

D. Evaluation Criteria

1. The extent to which the applicant demonstrates successful experience in providing reception and placement and related resettlement services, and the extent to which the proposal articulates the objective of early refugee self-sufficiency.

   10 POINTS

2. The extent to which the proposal presents a clear strategy for refugee placement, including the ability of the organization's network to resettle refugees in multiple locations in the United States.

   5 POINTS

3. The extent to which the proposal thoroughly presents the agency's practices concerning subcontracts for the delivery of the required services.

   5 POINTS

4. The extent of private sector involvement in an agency's resettlement program, including cash, in kind or service donations.

   5 POINTS

5. The adequacy of sponsorship arrangements. This should include a concise statement of the agency's philosophy of sponsorship and a description of the relationship between the agency and sponsoring individuals or other entities.

   10 POINTS

6. The adequacy of the pre-arrival services system(s), including the extent to which the applicant demonstrates a method for thorough planning and orientation with the receiving individual or sponsoring entity.

   5 POINTS

7. The extent to which the proposal clearly describes the reception services to be provided and the manner in which they are to be provided.

   5 POINTS

8. The extent to which the applicant demonstrates appropriate expertise in the required counseling and referral services: orientation, health, employment related services, and coordination (5 points each).

   20 POINTS

9. The adequacy of the applicant's planning and method for the resettlement of children in non-parental situations.

   5 POINTS

10. The adequacy of plans to consult and coordinate reception and placement activities with other resettlement actors at the state and local level.

   5 POINTS

11. The extent to which case forms and other instruments relevant to service delivery are adequate in scope and content.

   5 POINTS

12. The adequacy of agency monitoring procedures, including a clear definition of national agency responsibility, methodology and frequency.

    10 POINTS

13. The adequacy of the agency's system for notifying refugees on a regular basis of amounts due in repayment of transportation loans and for processing collected funds.

    5 POINTS

14. The extent to which the proposal demonstrates adequate management, supervision and internal coordination procedures to ensure effective service delivery and reporting.

    5 POINTS

TOTAL 100 POINTS

E. Evaluation of Proposals for Asian-American Cases

1. The extent to which the proposal demonstrates an understanding of the potential special needs of the ODP Asian-American caseload.

   5 POINTS

2. The extent to which the proposals presents a clear strategy for placement of the Asian-American caseload.

   5 POINTS

3. The adequacy of sponsorship arrangements and pre-arrival services, including identification of local school and counseling services.

   10 POINTS

4. The adequacy of reception services.

   5 POINTS

5. The extent to which the applicant demonstrates appropriate expertise in the required counseling and referral services: orientation, health, employment related services, and coordination (5 points each).

   20 POINTS

6. The adequacy of the applicant's plans to consult and coordinate reception and placement activities with other resettlement actors at the state and local level.

   10 POINTS

7. The extent to which the proposal presents a plan for follow-up visits and the preparation of a complete case history to be turned over to the responsible state or county case management agency at the end of the 90-day period.

5 POINTS

8. The adequacy of agency procedures for monitoring and national supervision.

10 POINTS

TOTAL 70 POINTS

Attachment A - Statistical Summary: Projected Arrivals for FY 85

Attachment B - Statistical Summary: Actual Arrivals for FY 84

Attachment C - Quarterly Statiscal Report

ATTACHMENT A - Proposed Refugee Resettlement (Projections for FY 1985*)

State	Total Refugees Anchor//Free	East Asia Anchor//Free	USSR Anchor//Free	Africa Anchor//Free	Near East Anchor//Free	East Europe Anchor//Free	Latin Amer. Anchor//Free
AK	//	//	//	//	//	//	//
AL	//	//	//	//	//	//	//
AR	//	//	//	//	//	//	//
AZ	//	//	//	//	//	//	//

(COMPLETE CHART FOR ALL STATES IN WHICH RESETTLEMENT IS PLANNED
LIST STATES IN ALPHA ORDER BY TWO LETTER ABBREVIATION, AS
FOLLOWS: AK, AL, AR AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID,
IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE,
NH, NJ, NM, NV, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA,
VT, WA, WI, WV, WY)

State	Total Refugees Anchor//Free	East Asia Anchor//Free	USSR Anchor//Free	Africa Anchor//Free	Near East Anchor//Free	East Europe Anchor//Free	Latin Amer. Anchor//Free
......	//	//	//	//	//	//	//
......	//	//	//	//	//	//	//
......	//	//	//	//	//	//	//
......	//	//	//	//	//	//	//
WA	//	//	//	//	//	//	//
WI	//	//	//	//	//	//	//
WV	//	//	//	//	//	//	//
WY	//	//	//	//	//	//	//
Other**--	//	//	//	//	//	//	//
TOTAL --	//	//	//	//	//	//	//

*Projections should be made on an annualized basis in accordance with the FY 1985 Consultations admissions ceilings.

**Including Guam, Puerto Rico, and the Virgin Islands. Please specify.

ATTACHMENT B - Refugee Arrivals for FY 1984

State	Total Refugees Anchor//Free	East Asia Anchor//Free	ODP Anchor//Free	Africa Anchor//Free	Near East Anchor//Free	East Europe Anchor//Free	Latin Amer. Anchor//Free
AK	//	//	//	//	//	//	//
AL	//	//	//	//	//	//	//
AR	//	//	//	//	//	//	//
AZ	//	//	//	//	//	//	//

(COMPLETE CHART FOR ALL STATES IN WHICH RESETTLEMENT IS PLANNED
LIST STATES IN ALPHA ORDER BY TWO LETTER ABBREVIATION, AS
FOLLOWS: AK, AL, AR AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID,
IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE,
NH, NJ, NM, NV, NY, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VA,
VT, WA, WI, WV, WY)

State	Total Refugees Anchor//Free	East Asia Anchor//Free	ODP Anchor//Free	Africa Anchor//Free	Near East Anchor//Free	East Europe Anchor//Free	Latin Amer. Anchor//Free
....	//	//	//	//	//	//	//
....	//	//	//	//	//	//	//
....	//	//	//	//	//	//	//
....	//	//	//	//	//	//	//
WA	//	//	//	//	//	//	//
WI	//	//	//	//	//	//	//
WV	//	//	//	//	//	//	//
WY	//	//	//	//	//	//	//
Other** --	//	//	//	//	//	//	//
TOTAL --	//	//	//	//	//	//	//

**Including Guam, Puerto Rico, and the Virgin Islands. Please specify.

ATTACHMENT C

RECEPTION AND PLACEMENT QUARTERLY STATISTICAL REPORT

National Agency__________________ Date________________

Report Period________________ State_______________

1. Number of refugees resettled:______________

2. Number of secondary migrants (out of total in line one) who moved out of state during period:___________

3. Total employables:__________ of which, at the end of 90 days

    ____________ were employed full-time;

    ____________ were employed part-time;

    ____________ were not employed, but attending ESL and/or other training;

    ____________ were not employed and not in training.

4. Number of elderly, ill or otherwise non-employable adults (over 21):__________________

5. Number of children:___________ of which _____________ were enrolled in school at the end of 90 days.

Note: Line 1 minus line 2 = Total line 3 plus line 4 plus line 5

United States Department of State

Washington, D.C. 20520

JUN 6 1985

Dear Mr. Chairman:

Answers are enclosed to the questions Representative McCollum submitted to Mr. James N. Purcell, Jr., Director of the Bureau for Refugee Programs. With the letter was enclosed a list of 818 names of Vietnamese applicants for refugee status in the United States, all of whom had been held at the Dong Ruk camp. As requested, a breakdown on the status of these applications for refugee status is enclosed.

Also enclosed with the letter was a list of eight questions which, due to time constraints, Representative McCollum was unable to ask during the hearing by the House Judiciary Subcommittee on April 17 at which Mr. Purcell was a witness. I am enclosing with this letter responses by the Department to these questions.

With best wishes,

Sincerely,

William L. Ball, III
Assistant Secretary
Legislative and Intergovernmental Affairs

Enclosures:
As Stated.

The Honorable
Romano L. Mazzoli, Chairman,
Subcommittee on Immigration,
Refugees, and International Law,
Committee on the Judiciary,
House of Representatives.

STATUS OF DONG RUK APPLICATIONS
FOR U.S. REFUGEE PROGRAM

Your list contained the names of 818 people, all of whom were interviewed by the U.S. Refugee Program. Of this number, 535 persons were accepted for U.S. resettlement and 77 were refused by the INS for various reasons. This represents a 9.4 per cent refusal rate. Of the remaining persons, 16 are awaiting an immigrant visa and will eventually enter the U.S. through that mechanism. Fifty-nine people were deemed not qualified as they could not substantiate their claims of military service, and 26 were no longer in camp. Six are awaiting additional information before the completion of their processing by the U.S. Refugee Program. Of the remaining 99 individuals, 60 were accepted by other countries -- which is in keeping with our policy of internationalization -- and 39 are awaiting decisions from other countries on their admissions applications. This information is summarized in the following table:

Accepted by U.S.	535
Refused by U.S.	77
Unable to qualify (lacking documents)	59
No longer in camp	26
Awaiting Immigrant Visas	16
Awaiting Additional Info.	6
Accepted by other countries	60
Awaiting decisions by other countries	39
	818

Question #1. COULD YOU TELL US WHETHER, IN THE COURSE OF PROCESSING THE MANY REFUGEES ALONG THE THAI-CAMBODIAN BORDER, ANY PRIORITY IS GIVEN, AS A MATTER OF POLICY, TO THOSE WHO HAVE ACTIVELY BEEN ASSOCIATED WITH THE U.S. IN THE PAST?

At this time, the USG is not processing Khmer from the Thai-Cambodian border, who are not regarded by either the RTG or the UNHCR as refugees. Those land Vietnamese at Dong Ruk were considered for U.S. admission under a special resettlement effort sponsored by the International Committee of the Red Cross. Khmer on the Thai-Cambodian border and in evacuation encampments are not currently under consideration by any resettlement country for either refugee or for immigrant visa processing.

As a matter of policy when processing refugees, however, persons who have been actively associated with the U.S. in the past would, of course, be accorded a high priority, based on the type of association with the U.S. However, individual determinations of admissibility will be made by the Immigration and Naturalization Service on a case-by-case basis.

QUESTION #2. IS IT FAIR TO SAY THAT YOU ARE IN CHARGE OF THE UNITED STATES FUNDING FOR INTERNATIONAL REFUGEE RELIEF, WITH A SPECIFIC EMPHASIS ON THE UNHCR? COULD YOU TELL THE SUBCOMMITTEE WHAT THE U.S. CONTRIBUTION IS TO THE UNHCR, AND HOW IT COMPARES, PROPORTIONATELY, WITH THE CONTRIBUTIONS OF OTHER COUNTRIES?

The Bureau for Refugee Programs does have responsibility for funding U.S. contributions for international refugee relief and for refugee resettlement to the U.S. The UNHCR is the largest single recipient of Bureau relief funds. Other organizations receiving Bureau funds include the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), and the International Committee for the Red Cross (ICRC).

In FY 1984 the Bureau contributed about $105 million to the UNHCR, or 28 percent of the budget. In FY 1985, the Bureau has contributed about $97 million so far, or about 27 percent of the current budget. The U.S. is the largest donor to the UNHCR. In FY 1984, for example, the second largest donor, Japan, contributed $43.8 million, or about 12 percent of the budget.

QUESTION #3. WHAT OFFICE, OR ORGANIZATION, EVALUATES THE EFFECTIVENESS OF THE UNHCR RELIEF EFFORT IN VARIOUS REGIONS OF THE WORLD, WITH PARTICULAR EMPHASIS ON CENTRAL AMERICA AND SOUTHEAST ASIA? IS ANY PARTICULAR OFFICE OR INDIVIDUAL CHARGED WITH THE RESPONSIBILITY OF SEEING TO IT THAT REFUGEE RELIEF IS EQUITABLY DISTRIBUTED REGARDLESS OF POLITICAL AFFILIATION?

The Bureau for Refugee Programs has a directorate for international assistance which is comprised of five offices: Africa; Asia; Europe, the Near East and Latin America; Emergency Operations and International Refugee Organizations. Each of these offices has specific responsibilities for U.S. refugee policy and program implementation. In the field Embassies in every country which hosts a statistically significant number of refugees assign an officer to cover refugee affairs; in those countries where there are major refugee populations to which the U.S. contributes assistance there is a full-time refugee coordinator. At the U.S. Mission/Geneva there is a Refugee and Migration Unit which is fully devoted to conducting U.S. business with the refugee-related international organizations headquartered there.

All of the offices listed above have as a major pre-occupation the effective and efficient delivery of assistance to refugees by UNHCR, the organization mandated with that responsibility by the international community.

Through field visits, consultations and meetings U.S. refugee officers monitor and evaluate the full range of UNHCR programs, including protection, relief, and lasting solutions (voluntary repatriation, local integration or third country resettlement). Based on reporting of such visits and consultations, the U.S. regularly makes recommendations to UNHCR for adjustments and/or improvements in programs. For example, owing to the delayed UNHCR reaction to the crisis in eastern Sudan, the U.S. took many emergency actions on a bilateral basis to deliver life-saving goods and services. This U.S. intervention was a direct result of the regular reporting of the refugee coordinator at our Embassy in Sudan and of field visits by the RP Office of Emergency Operations. Similar U.S. initiatives were taken by the same RP office in 1982 to assist Miskito Indians in Honduras.

All of the offices listed in paragraph one have as one of their criteria for evaluating UNHCR programs and projects the equitable distribution of assistance without regard to political affiliation. By far the major problem in equitable assistance is not political affiliation, but rather delivery of assistance at levels which will not advantage refugees over host country populations which very frequently are among the least developed in the world. Owing to this problem, there can be different levels of assistance from one region or sub-region to another.

UNHCR itself has an Evaluation Unit headed by a U.S. national who previously worked for GAO. All UNHCR projects have a self-evaluation component which is of uneven quality, depending on the skills of UNHCR branch office staff. More importantly, the headquarters' evaluation and specialists' support services units regularly evaluate major projects and/or categories of projects, e.g., education projects in favor of urban refugees. Finally, the evaluation unit contracts for independent, outside evaluations.

From time to time, the U.N. Joint Inspection Unit (JIU) selects a geographic and/or sectoral aspect of UNHCR programs for review and evaluation. The most recent of these was the JIU report on the "Role of UNHCR in South-East Asia (19979 - 1983)." The principal themes of the report's recommendations are: 1) strengthening the field establishment through adequate professional staffing, decentralizaion of resources and responsibilities and regional emphasis; 2) fulfillment of protection functions through better pursuit of durable solutions and validation of refugee claims; 3) enhanced assistance activities through better needs assessment and monitoring and financial controls.

QUESTION #4. DO YOU KNOW WHETHER UNHCR PURCHASES AMERICAN GOODS WITH ANY OF ITS FUNDS?

-- DO OTHER COUNTRIES, DIRECTLY OR INDIRECTLY, ATTACH "STRINGS" TO THEIR CONTRIBUTIONS WHICH REQUIRE THE USE AND/OR PURCHASE OF THEIR PRODUCTS? IF SO, WOULD YOU NAME THOSE COUNTRIES?

In calendar year 1984 UNHCR purchased American goods valued at $1.57 million; in the first quarter of calendar year 1985, UNHCR has already purchased American goods valued in excess of $1 million for shipment to such countries as Honduras, Cyprus, Yugoslavia, Sudan, Ethiopia , Pakistan, Somalia, Djibouti, Rwanda and Zaire. American goods purchased by UNHCR include veterinary medicines, spare parts for heavy equipment, radios, microscopes, word processing equipment, air conditioners, film and corn-soya-milk, a blended food for supplementary feeding.

In its 1985 Action Plan for UNHCR, the Bureau for Refugee Programs has as one of its objectives increased American participation in UNHCR procurement of goods and services.

The trend from 1984 to 1985 demonstrates that some success is already being realized in achieving that objective.

The Government of Italy is phasing out its requirement that UNHCR procure Italian goods with funds it contributes. The European Economic Community (EEC) has loose "strings" attached to its contributions to UNHCR, i.e., they request that , unless a better offer can be found, UNHCR use EEC funds to purchase goods from its member states or from African, Pacific and Caribbean (APC) countries under the Lome Convention.

-- DOES THE UNHCR ISSUE ANY SORT OF REPORT REFLECTING HOW IT SPENDS ITS MONEY?

The UNHCR produces a number of financial reports on its activities for provision to donor countries. In October of each year, the UNHCR provides a full report on its past year's activities and proposed programs and budget for the coming year for presentation to the Executive Committee of member nations. In June of each year, it provides an audit report by the UN Board of Auditors on the past year's spending. It also provides periodic country program updates throughout the year.

In addition, every June the UNHCR provides to donors information on expenditures to date and revised budget estimates for the current program year.

US pledges to the UNHCR require that copies of all program and financial reports produced concerning UNHCR programs be provided to the US Mission in Geneva.

QUESTION #5. WHAT KIND OF MECHANISM DO WE HAVE TO SEE TO IT THAT HUMANITARIAN AID IS GETTING TO THE NEEDY AND IS NOT SIDETRACKED BY AN INTERVENING GOVERNMENT AGENCY?

-- AT WHAT POINT, SUCH AS IN ETHIOPIA, ARE WE PREPARED TO CUT OFF AID WHEN IT BECOMES CLEAR THAT MUCH OR MOST OF IT IS NOT GETTING THROUGH?

U.S. refugee assistance is in large part channelled through the UN High commissioner for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC), but a number of U.S. private voluntary agencies also implement projects funded by the Refugee Programs Bureau. All these programs are monitored by our embassies abroad, which in countries of high refugee activity frequently have a Refugee Affairs Coordinator especially assigned for that function. In addition, the Refugee Programs Bureau strives to make an annual on-the-scene evaluation of refugee assistance activities in all countries in which the cost of U.S. funded programs total one million dollars per annum.

If such evaluations turn up inefficient or maladministered projects, our first endeavor is to secure improvements of administration and the elimination of abuses. The decision on whether, or when, to end funding of the project would require a weighing of the cost of waste against the good that is achieved, and the harm which would result from termination.

U.S. refugee funding in Ethiopia is channelled entirely through the UNHCR and ICRC; benefits Sudanese refugees, returned Ethiopian refugees from Djibouti and Somalia, and victims of combined drought and civil strife who are not accessible to normal drought assistance channels. The Bureau for Refugee Programs cooperates closely with the Agency for International Development which administers U.S. drought assistance effort in that country, in large part through international and private voluntary organizations. These organizations strive to assure that food and other supplies reach the needy in an effective and equitable manner. Their success is not absolute, but there is no doubt that human misery would increase manyfold were it not for the U.S. assistance effort.

QUESTION #6. DO YOU REVIEW THE REPORTS OF VOLUNTARY AGENCIES? WHAT PERCENTAGE OF THEIR BUDGETS, GENERALLY, ARE EARMARKED FOR "ADMINISTRATION"? (IF YOU DO NOT KNOW, WOULD YOU PROVIDE IT FOR THE RECORD?)

-- COULD YOU NAME THOSE VOLUNTARY AGENCIES WHICH HAVE THE HIGHEST ADMINISTRATIVE COSTS? COULD YOU NAME THOSE WHICH HAVE THE LOWEST?

The Bureau's cooperative agreements with the 14 voluntary agencies providing reception and placement services to refugees require that semi-annual financial reports be submitted. These reports are reviewed for major categories of expense and overall expenditures. The Bureau's funding arrangement for these activities over the past few years has been on a per capita basis (currently $560) intended to cover only a portion of the total costs incurred by the voluntary agencies and their local affiliates. In addition, sizeable private donations and in-kind contributions of goods and services are raised by the agencies for their refugee resettlement programs.

Based on an analysis of the semi-annual reports for the last half of FY 1984, the costs of "administration" (including national program management) accounted for 27%

(on average) of the total reported expenditures from federal and private cash contributions. As mentioned above, voluntary agencies receive large amounts of in-kind goods and services for their refugee resettlement efforts. If these in-kind contributions were valued and factored into this analysis, the percentage of total resources attributable to "administration" would be significantly reduced.

The Bureau agrees that more detailed information on voluntary agency financial operations would improve our management and oversight of this program. To this end, the Bureau has developed a revised financial reporting format which will more fully collect the actual cash costs incurred by the agencies' headquarters, together with those costs incurred at the local service level. We plan to implement this new reporting requirement with our FY-1986 cooperative agreements. I am attaching a copy of our proposed financial reporting format for your information.

QUESTION #7. I UNDERSTAND THAT YOUR OFFICE HAS CONDUCTED SOME SIX AUDITS OF THE VOLUNTARY AGENCIES IN ORDER TO ESTABLISH HOW SUCCESSFUL THEIR EFFORTS HAVE BEEN. HAVE THESE AUDITS BEEN PUBLISHED? IF NOT, WHY NOT?

The Department of State's Office of the Inspector General conducted an audit in 1983 of six voluntary agencies participating in the Bureau's reception and placement program for refugees. The audit evaluated the volags overall administration of the cooperative agreements and reviewed their financial management systems. I am enclosing a copy of the Departments final report issued in September, 1983.

Question #8. HOW DO YOU EVALUATE WHETHER THOSE WHO ARE TRAINING PROSPECTIVE REFUGEES FOR THIS COUNTRY, PARTICULARLY AS TO THEIR ENGLISH LANGUAGE PROFICIENCY, ARE DOING THE JOB?

-- IN 1983, WE TALKED ABOUT TOUGHENING THE OVERSEAS LEAVING EXAM IN ENGLISH, AND GETTING THE WORD TO THE FIELD THAT THINGS HAD TO IMPROVE. HAS ANY OF THIS BEEN DONE? ARE WE SEEING A BETTER LANGUAGE APTITUDE AMONG RECENT REFUGEES?

The effectiveness of the ESL/CO program has been confirmed by three independent studies.

From June of 1982 through September of 1984, a study was conducted by the RMC Research Corporation to determine the effectiveness of pre-entry training programs and to assess their impact on domestic resettlement. Groups of trained and untrained refugees were tracked during their first six months of resettlement, case studies were developed, and a wide range of domestic resettlement personnel were interviewed. The report concluded:

> Taken together, the results of the study comprise a strong endorsement of pre-entry training for Southeast Asian refugees both in concept and in the way that training has been implemented. Evidence of the program's positive impact on resettlement was found in every phase of data collection. Results passed even the most rigorous tests of statistical significance. The impact is clearly the greatest in the area of English proficiency, where test results show enormous differences between the trained and untrained groups. There is simply no doubt that pre-entry training should be regarded as an essential element of refugee resettlement and should continue to be funded at whatever level is necessary to maintain its current level of high quality instruction.

The Center for Applied Linguistics conducts ongoing testing of 10 percent of the refugees in training as part of the Bureau's effort to ensure the relevance and quality of instruction. In data collected over the past two years, all students, at all training levels, from all ethnic groups, show significant progress on all tests from entry to exit. The most dramatic gains are made by students who enter the program with no English skills, are not literate in their native language, and who have had little or no prior formal education of any kind. They "graduate" from the program able to understand simple phrases in English, to express immediate survival needs, ask and respond to simple questions, recognize the alphabet, numbers from 1-100 and common sight words. They can also write the letters of the alphabet and produce very basic personal information. Although this is not the level of English required for complete self-sufficiency, they can handle routine entry level jobs that do not require much oral communication, and in which all tasks can be easily demonstrated.

The State Department's Office of the Inspector General conducted an audit of the overseas training program in the spring of 1984. The report concluded:

> The Bureau's ESL/CO program has been quite successful in achieving its goal of providing refugees with survival skills in English and a basic introduction to American culture. U.S. service providers have noted, among other things, that ESL/CO trained refugees have enhanced English skills and confidence to use English

> in most survival situations. They have fewer problems adapting and decreased dependence on sponsors' resources because they have a basic understanding of U.S. culture and enhanced capability to cope and solve problems, as well as greater ability to deal with on-the-job training in entry-level jobs. There is also convincing evidence that the (overseas) training is exceptionally cost effective in comparison to similar programs carried out in the U.S.

The average per contact hour cost for training in Southeast Asia for FY '85 is estimated to be $1.27. This compares to an estimated average of $2.60 per contact hour in the U.S. The cost for providing services in SEA is therefore less than half the cost of providing similar services in the U.S.

APPENDIX IV

State Department Audit Report

United States Department of State
The Inspector General

Audit Report

THE ADMINISTRATION BY VOLUNTARY AGENCIES OF RECEPTION AND PLACEMENT AGREEMENTS WITH THE BUREAU FOR REFUGEE PROGRAMS

SEPTEMBER 1983

DISTRIBUTION NOTICE

This audit report is internal to and a direct part of the deliberative process of the Department of State and the Agency for International Development. It evaluates the effectiveness and the efficiency of management. It is intended for the Secretary of State and his principal officers and recommends to them changes in policy and management.

Distribution may be made outside the Department of State only to those agencies directly involved in the formulation and management of foreign policy and only with the prior written authorization of the Inspector General, Department of State. At missions and posts of the Department of State, appropriate portions of the report may be shown, at the discretion of the principal officer, to representatives of other executive agencies and departments of the United States Government that are directly concerned with recommendations.

THE ADMINISTRATION BY VOLUNTARY AGENCIES OF RECEPTION AND PLACEMENT AGREEMENTS WITH THE BUREAU FOR REFUGEE PROGRAMS

PREFACE

Audit reports provide an overall management evaluation to meet the inspection requirements of Section 209 of the Foreign Service Act of 1980, and the financial and management audit requirements of Section 113 of the Budget and Accounting Procedures Act of 1950, as amended and as implemented by Office of Management and Budget Circular No. A-73, (Revised).

The audit included appropriate tests to evaluate internal controls and management operations, but a detailed examination of all transactions was not made. The audit took place in Washington, D.C. and New York City and Nyack, New York from May 9 through August 12, 1983.

Timothy R. Healy
Timothy R. Healy
Inspector

Ben F. Smith
Ben F. Smith
Inspector

REPORT OF AUDIT

THE ADMINISTRATION BY VOLUNTARY AGENCIES OF RECEPTION AND PLACEMENT AGREEMENTS WITH THE BUREAU FOR REFUGEE PROGRAMS

TABLE OF CONTENTS

Page

OVERVIEW (buff pages) 1

I. BACKGROUND 4

II. PURPOSE AND SCOPE 6

III. FINDINGS AND CONCLUSIONS

- A. Grant Funding 7
- B. Reserves 8
- C. Financial Management Systems 10
- D. ICM Loan Collection 13
- E. Program Monitoring 16

List of Recommendations (available separately)

THE ADMINISTRATION BY VOLUNTARY AGENCIES OF RECEPTION AND PLACEMENT AGREEMENTS WITH THE BUREAU FOR REFUGEE PROGRAMS

OVERVIEW

This audit covered selected activities of the American Council for Nationalities Services (ACNS), Tolstoy Foundation, World Relief, and Church World Services (CWS). In addition to the above voluntary agencies (Volags), the audit of International Committee for Migration (ICM) transportation loans was expanded to include the United States Catholic Conference (USCC) and the Lutheran Immigration and Refugee Services (LIRS) as these two agencies account for about 54 percent of all outstanding loans. These agencies were selected because they represent a cross section of voluntary agencies and together with USCC and LIRS, which were audited by the Office of the Inspector General (S/IG) in early 1983, received about 80 percent of all FY 1982 reception and placement funds.

This audit was conducted to evaluate the administration by the Volags of their cooperative agreements with the Department of State and also to determine whether financial management systems met standards, whether reserves have been accumulated from per capita grants and how Volags plan to use these reserves, and whether best efforts were made by Volags to collect ICM loans. IN addition, the current funding mechanism for reception and placement agreements was reviewed.

The per capita rate system which currently provides $365 and $525 for European and non-European refugees, respectively, was developed in the mid-1970's during the large influx of Indo-Chinese refugees. The scaled-down refugee flow in recent years does not appear to be generating adequate funds to support the 12 separate Volags involved in the program. RP should develop a formal policy stating generally what percentage of costs the per capita grants are intended to cover, determine if the disparity in per capita grants for European and non-European refugees is justified, and determine if it is cost effective and necessary to continue funding 12 separate Volags.

Some Volags at the headquarters level still report the presence of accumulated reserves, but the amounts are declining. However, some Volag affiliates who receive pass-through portions of the per capita grants do not report reserves. Thus, the

BEST COPY AVAILABLE

complete status of Volag reserves is not currently available. Because of the heightened interest by the Department and Congress, the Bureau for Refugee Programs (RP) should require all Volags and their affiliates to uniformly and consistently report reserves.

In complying with OMB and Department standards, the financial management systems of the Volags ranged from satisfactory to very good. ACNS and World Relief need to improve their overhead accounting systems; Tolstoy and ACNS need to improve their budget and planning systems; all Volags need to improve their procedures for determining reasonableness, allocability, and allowability of costs charged to agreements; and all Volags need to improve their documentation of business meeting and meal expenses. RP should notify Volags that, under current cooperative agreements, an audit by an agency of the U.S. Government could require them to refund charged amounts that do not conform to standards.

The results of Volag effort to collect ICM loans ranged from good to marginally satisfactory. Volags with automated systems are markedly more effective in collecting loans than those with manual systems. Early billing of refugees, usually within 3 months of arrival, is common to successful Volags. Since about 36 percent of all refugees pay when billed, the most serious problem in the collection process is the lack of current addresses for about half of the refugees. Most Volags are not current in writing off uncollectable accounts; this overstates their receivables and thus understates their collection rate. RP should encourage Volags with manual systems to use the services of Volags with automated systems to assist in the collection process. RP should also encourage Volags to bill refugees within 3 months of arrival and write off uncollectable accounts. RP should accelerate its own efforts to assist Volags in securing current addresses for refugees.

The latest cooperative agreements require Volags to monitor the provision of core services by their affiliates in accordance with plans submitted by Volags and approved by RP. Volags generally are monitoring their programs in conformance with their plans and thus with the grant agreement. Improvements can be made, however. The agreements specify that at least one annual on-site review of an affiliate's operation be made by Volags although some affiliates settle such small numbers that it is not cost effective to conduct such reviews. Volags rarely interview refugees during their reviews. Most Volag review programs are unstructured and lack standard formal guidelines. Results of Volag reviews are often undocumented. Affiliate reports required by Volags as part of their monitoring program generally lack specificity. RP focuses its own monitoring activity on Volags within geographic areas rather than by agency. RP should link the requirement for Volags to conduct yearly on-site visits with some minimum number of refugees settled, emphasize the importance of refugee interviews, and require standardized review guides and documented visitation reports. RP should expand its own monitoring to include agency-wide reviews.

I. BACKGROUND

Traditionally, Volags have had primary responsiblity for resettling refugess in the U.S. With the large influx of refugees in recent years, the Federal government has become an active partner in this endeavor. On March 17, 1980, Congress enacted the Refugee Act of 1980 to provide a permanent and systematic procedure to admit refugees of special humanitarian concern to the United States and to provide comprehensive uniform provisions to resettle the refugess and help them become self-sufficient. The Refugee Act specified key positions at the Federal and State levels to carry out these objectives. Under this Act, the Department of State has primary responsibility for the initial reception and placement of refugees.

The Bureau for Refugee Programs (RP) is responsible for refugee activities within the Department. To fulfill its responsibility under the Refugee Act, RP negotiates agreements with voluntary agencies to provide initial reception and placement services to refugees such as food, clothing, shelter, and job counseling. These services are defined as "core services." A Volag is reimbursed for these services on a per capita basis, currently $365 for European refugees and $525 for all other refugees. In fiscal year (FY) 1982, RP's cost to resettle 97,900 refugees through 13 Volags and two States was about $49.2 million.

At the end of fiscal year 1981, several changes were made in the reception and placement agreements. First, the agreements between the Department and the individual resettlement agencies which were previously grant agreements were changed to cooperative agreements to reflect more accurately the interactive relationship between the Department and the resettlement agencies. Also, a provision was included which specified that core services were to be carried out within the 90-day period after the refugees arrive in the U.S. The time limitation was not intended to preclude the provision of other necessary services to refugees but to make sure that required services were delivered during the initial period of reception and placement.

The current cooperative agreements, dated May 1983, further defined the core services to be provided. Moreover they required Volags, for the first time, to monitor the activities of their affiliates.

This audit focused primarily on selected activities of four Volags: The American Council for Nationalities Services (ACNS), World Relief, Tolstoy Foundation, and Church World Services (CWS). These agencies were selected for review because they represent a cross-section of voluntary agencies and because, together with the U.S. Catholic Conference (USCC) and Lutheran Immigration and Refugee Services (LIRS) which were audited by S/IG in early 1983, they received about 80 percent of all FY 1982 reception and placement funds. In the time available, it would have been impossible to review in detail the total operations of these Volags. The inspectors selected for review areas that would provide a good measure of how well agencies were administering agreements and also that have been of particular concern to Congress and the Department.

II. PURPOSE AND SCOPE

This audit was made to evaluate the administration by voluntary agencies of their cooperative agreements with the Department of State. Specifically, the objectives of this audit were as follows: (1) determine if the financial, program monitoring, and reporting systems of voluntary agencies conform to the requirements in OMB Circular A-110; (2) determine the extent that reserves have been accumulated from per capita grants and how agencies plan to use these reserves; and (3) evaluate efforts by the agencies to collect International Committee for Migration (ICM) transportation loans. In addition, the inspectors reviewed the current funding mechanism for reception and placement agreements.

During this audit the inspectors reviewed the activities of ACNS, Tolstoy Foundation, World Relief, and CWS. The audit of ICM loan collections was expanded to include USCC and LIRS because they account for about 54 percent of all outstanding loans. The inspectors met with officials of the Bureau for Refugee Programs and all audited agencies. The field work was performed in the voluntary agencies headquarters offices in New York City, N.Y., Nyack, N.Y., and Washington, D.C. The audit was conducted during the period May 9 through August 12, 1983.

III. FINDINGS AND CONCLUSIONS

A. Grant Funding

Volags are reimbursed for services performed under reception and placement cooperative agreements based on the number of refugees they resettle. Currently, an agency receives a per capita payment of either $365 for each Eastern European refugee resettled or $525 for each non-Eastern European refugee. Volags have complained to RP that these rates are not sufficient to cover their expenses.

In the past, the large flow of refugees into the U.S. provided Volags with more than enough funds (see Section B) to support their refugee programs. The four agencies stated that although they have made drastic staff reductions, the decreased refugee flow currently does not generate adequate funds to support the minimum networks necessary to resettle refugees. The per capita rate system was developed in the mid-1970's during the large influx of Indo-Chinese refugees before RP was formed. RP has no documentation showing the rationale or methodology originally used to establish per capita rates and is now trying to establish a basis for adjusting the rates which will be fair to the Volags but keep RP within budget. Given the varying per capita costs incurred by Volags, it will be difficult to set an average rate which will satisfy everyone. The inspectors believe, however, that the following areas should be addressed by RP before rational adjustments to per capita rates can be made.

RP currently has reception and placement cooperative agreements with 12 Volags and two states. Each of the Volags has its own nationwide network to resettle refugees. With the current and anticipated lower refugee flows, RP needs to determine whether it is cost efficient to fund 12 separate resettlement networks with their attendant fixed staffs and administrative costs. Reducing the number of Volags in the program would increase the intake of refugees by the remaining agencies and allow them to spread fixed salary and administrative costs over this larger base of refugees, thus lowering their per capita cost. The inspectors did not have time to review all the alternative funding methods for the reception and placement program, but recommend that RP undertake a study to determine if it is cost effective and necessary to continue to fund 12 separate voluntary agencies. (Recommendation 1)

RP also needs to decide what percentage of the reception and placement program costs it wants to fund. Refugee resettlement is a joint effort between government and private agencies, but until recently, RP has generally funded 100 percent of a Volag's operating cost. However, the recent drop in refugee arrivals has placed Volags in a position of spending more than they are receiving from RP. The agencies generally believe that the in-kind contributions generated by their affiliates are their contribution to resettlement and the U.S. government should pay for the majority of the actual costs incurred in providing services required by the agreement. The inspectors recommend that RP develop a formal policy stating generally what percentage of the reception and placement program costs the per capita grant is intended to cover. (Recommendation 2)

To have some basis for adjusting the per capita rate, RP recently requested all Volags to submit their current per capita costs of providing services required in the cooperative agreement. Nine Volags responded and their reported average per capita cost was $692. This data should be viewed with skepticism because of the manner in which it is developed. It is RP's position that it is responsible for providing funds only for initial resettlement, defined as the first 90 days a refugee is in the U.S. Volags, however, provide services not only to recently arrived refugees but also to those that have been in the U.S. for longer periods. Volags do not accumulate cost figures related just to 90-day services; to develop a per capita cost, they divide the total cost of their reception and placement programs for a specific period by the number of refugees arriving during the same period. To develop per capita costs which can be used as a basis for judging the adequacy of per capita payments, RP, in coordination with the Volags, should develop a method to estimate the percentage of a Volag's costs related to initial resettlement. (Recommendation 3)

Finally, as stated above, there are different per capita payments for Eastern European and non-Eastern European refugees. The original rationale for this difference was that it was less expensive to settle Eastern European refugees because of the supportive ethnic communities in the U.S. RP and Volag officials now assert that both categories of refugees require generally the same level of services during initial resettlement, but little data is available to support this assertion. Therefore, Volags who assist Eastern European refugees may be penalized by the disparity in per capita rates. For reasons of equity and simplification, RP is studying the establishment of a single per capita rate. The inspectors concur with this direction, but recommend that RP first require the Volags to provide sufficient data to show that Eastern Europeans receive generally the same services as other refugees. (Recommendation 4)

B. Reserves

Recently, Congress and RP have become concerned over the level of reserves the voluntary agencies have accumulated from per capita payments. These reserves represent the excess of income over expenses. As the following table shows, three of the four Volags reviewed are still reporting reserves, but the amounts are declining. Tolstoy Foundation reported a net loss under the reception and placement program of $587,000 as of March 1983. According to Volag officials, if the refugee flow continues at the current rate, reserves will be used to cover operational expenses. While currently assessing the adequacy of the per capita rate, RP officials said that they will not approve a per capita increase until reserves reach an acceptable level.

STATUS OF RESERVE 1/

BALANCES

Agency	As of 9/30/82	As of 3/31/83	Increase/ (Decrease)
World Relief	$1,632,000	$1,136,000	$(496,000)
CWS	3,400,700	2,748,600	(652,100)
ACNS	987,000 2/	845,000 3/	(142,000)

1/ Based on accounting records of individual Volags which the inspectors did not verify in depth.

2/ As of 12/31/82

3/ Includes about $600,000 in accounts receivable from affiliates. Any uncollectable amounts would decrease the reserve balance accordingly.

The above relates only to reserves accumulated at Volag headquarters offices. Both ACNS and CWS pass on a per capita amount to their affiliates who actually sponsor the refugee. Once the funds are given to the affiliate, they are considered an expense to the program. At the end of 1982, ACNS affiliates reported net reserves of about $358,000. Data was not available to determine if CWS denominations are accumulating reserves because denominations are not required to submit financial reports to CWS. CWS officials stated that because of their sensitive relationship with denominations, they cannot require financial reports. The question of affiliate reserves will become increasingly important as RP implements recently enacted legislation that requires voluntary agencies to expend reception and placement funds within 1 year after the fiscal year in which the funds were received or return the funds to the U.S. Government. RP has not determined how it will monitor this requirement. To determine if Volags are accumulating reserves, RP should develop a reporting format that all Volags must follow in reporting yearly expenses and income. (Recommendation 5) This report should include the financial activity of affiliates who are funded on a per capita basis. The inspectors recognize that it may be difficult for CWS to meet this requirement for reasons previously stated, but RP should impress upon CWS the need for financial information from the denominations.

To verify that Volags are using funds during the prescribed time limit, RP needs assurance that yearly income and expense reports are accurate. Because the Department does not have the resources to provide such assurance, RP should amend all cooperative agreements to require each voluntary agency's independent auditor to certify that reports are accurate. (Recommendation 6) This recommendation expands S/IG recommendations in two previous reports that RP amend the USCC and LIRS cooperative agreements to provide for annual certification of reception and placement funds by independent auditors.

C. Financial Management Systems

The financial management systems of the auditied agencies ranged from marginally satisfactory to very good in complying with the standards in OMB Circular A-110, Attachment F. Two agencies have manual accounting systems and two have computerized systems. One agency is in the process of converting to a computerized system. Comments and recommendations regarding compliance with specific standards follow:

o 2.a. "Recipients'...system shall provide for...accurate, current and complete disclosure of financial results..."

This standard requires Volags to have a system that accurately collects, records, retrieves, and presents data in the form prescribed by the sponsoring agency. The cooperative agreement requires only three reports from the agencies: (1) monthly grantee nominal roll; (2) semiannual program report; and (3) annual financial report (prepared and certified by independent auditors). All agencies submitted monthly grantee nominal roll reports as required. Most agencies experienced difficulty and confusion with the requirements of the semiannual program report, wich is primarily a program monitoring report. (See E. Program Monitoring and comments on annual financial reports in 2.h.)

o 2.b. "Recipients'...system shall provide...records that identify...source and application of funds."

All agencies generally meet this standard for agreements prior to FY 1983 as these agreements were quasi-fixed price contracts. However, for FY 1983, RP modified the agreements and added the clause "Funds...may be expended no later than twelve (12) months

BEST COPY AVAILABLE

following the end of the fiscal year...Unexpended funds...shall be returned to the...Treasury." This clause, intended to discourage the build-up of unexpended funds (reserves), effectively converts the quasi-fixed price per capita grants to quasi-cost reimbursement grants. Under this agreement, agencies are liable for unallowable, unallocable, or unreasonable charges against the agreements. Overhead is the most vulnerable of the charges to the agreements. The overhead accounting system used by ACNS and World Relief do not meet the standards in OMB A-122. The system used by ACNS is inconsistent from year to year and appears to allocate excess overhead to U.S. Government grants. The system used by World Relief that allocates overhead based on 28 percent of salaries is overly simplistic and represents a "rule of thumb" approach rather than a traditionally developed overhead rate. The systems used by Tolstoy Foundation and CWS are adequate. To ensure appropriate application of government funds for current and future years, all agencies should develop overhead accounting systems that comply with the standards in OMB Circular A-122. (Recommendation 7)

o 2.c. "Recipients'...system shall provide...effective control over and accountablity of all funds, property and other assets..."

Overall internal controls are adequate at all agencies reviewed. The controls at World Relief are good except that the controller signs all checks and is the approving officer for purchases in his department. Other officers at World Relief are authorized to sign checks, but do so only when the controller is not present. Good controls dictate that at least two individuals sign each check (at least for checks over a specified amount). (Recommendation 8)

o 2.d. "Recipients'...system shall provide...comparison of actual outlays with budget amounts..."

The budget and planning systems of the four Volags reviewed ranged from highly structured to casual. World Relief and CWS have highly structured systems and generate computerized plans vs actual reports for each agreement. ACNS has a structured system and manually prepares reports that detail planned vs actual expenditures at a summary level, i.e., restricted vs unrestricted funds. Tolstoy Foundation has a casual system and generates no planned vs actual reports. To allievate these inconsistencies, RP should ensure that all agencies are capable of providing planned vs actual financial information for each agreement. (Recommendation 9)

o 2.e. "Recipients'...system shall provide...procedures to minimize the time elapsing between the transfer of funds...and the disbursement..."

This standard was intended to prevent excessive drawdowns on letters of credit prior to the actual disbursement of the funds. This is not a problem with any of the agencies. In most instances, the Volags do not draw down until considerably after the refugees have arrived and have received some core services. To the contrary, a problem is created by the time lapse between expiration of one amendment and authorization of a new one. Agreements are amended quarterly and often the approval of a new amendment requires 45 to 60 days. During these lapses, agencies must finance new arrivals from their own funds. This creates extreme cash flow problems for small agencies such as Tolstoy Foundation. RP should explore ways to expedite the authorization of new amendments or provide interim emergency funding between amendments. (Recommendation 10)

- 2.f. "Recipients'...system shall provide...procedures for determining the reasonableness, allowability and allocability of...costs..."

Prior to the FY 1983 agreements, this standard was not critically important. As discussed above, agreements prior to FY 1983 were quasi-fixed price in nature and the Department had little if any authority to disallow charges against these grants. The FY 1983 agreements places responsibility on the Department to ensure that funds are spent in conformance with OMB Circular A-122. Voucher reviews made by the inspectors indicate some expenditures that may be unallowable have been charged to the grants. RP should notify agencies that, under the current agreement, an audit by an agency of the U.S. Government could require them to refund amounts charged to grants when such charges violate OMB Circular A-122. (Recommendation 11) RP should ensure that existing procedures of the Volags for determining reasonableness, allocability, and allowability of costs charged to agreements are in compliance with OMB Circular A-122. (Recommendation 12)

- 2.g. "Recipients'...system shall provide...accounting records...supported by source documentation."

All agencies maintained adequate source documents except for business meetings and meal expenses. For the most part, these expenses, charged on American Express or bank charge cards, did not identify some of the elements needed to determine reasonableness, allowability, and allocability, e.g., business purpose, names of people entertained, and location. RP should ensure that agencies maintain adequate documentation of business meetings and lunches. (Recommendation 13)

- 2.h. "Recipients'...system shall provide for...examinations in the form of audits or internal audits."

All the reviewed agencies were audited by independent certified public accountants and copies of their reports (annual financial statements) were submitted to RP. Most agencies also receive a management report prepared by their auditors. These reports typically contain an assessment of the Volag's financial system, internal controls, existing or potential problem areas, and recommendations for correcting problems. The areas discussed in these management reports are not always discernable from reviews of annual financial statements. RP does not require nor receive these reports which, in the inspectors' opinion, would be helpful in administering the grants. (Recommendation 14)

D. ICM Loan Collections

The ICM loan collection systems for ACNS, Tolstoy, World Relief, CWS, LIRS, and USCC were reviewed. These agencies are responsible for collecting 75 percent of all ICM loans. The cooperative agreement requires agencies to use their best efforts to collect amounts due from refugees for transportation loans, establish proper collection processes, adequately account for amounts due to and received from refugees, and remit proceeds to ICM. Observations and recommendations concerning grantee compliance with these requirements are discussed below.

The results of Volag effost to collect ICM loans ranged from good to marginally satisfactory. CWS, World Relief, and USCC have good automated systems. With a 20.3 percent cummulative collection rate as of December 21, 1982, CWS is more successful than World Relief at 8.4 percent and USCC at 11.2 percent. The collection rate in recent months for World Relief and USCC approaches 20 percent. These agencies promptly bill refugees and systematically follow up on refugees who do not respond.

LIRS has a manual system that was effective in the past. In recent months, the burgeoning growth of new accounts has almost overwhelmed the system. LIRS is able to bill refugees promptly (within 3-4 months after arrival), but has not been able to systematically follow up on refugees who fail to respond (about 50 percent). LIRS is in process of implementing an automated system that is expected to be operational in September 1983. When implemented, the automated system should restore LIRS to its former state of effectiveness.

ACNS has been implementing an automated system for several months. It will be several more months before the system is operational. During this conversion period, ACNS collections have dropped significantly. The collections from January to May 1983 dropped 44 percent from the same period last year. Initial billings of refugees by ACNS are 6-8 months behind. The 6.2 percent collection rate as of December 31, 1982, has not improved during 1983.

Tolstoy Foundation's manual system is overly detailed, slow, and tedious. Refugees who arrived in October 1982 were being billed for the first time in June 1983. The 6.9 percent collection rate as of December 31, 1982, has not improved during 1983.

Automated systems clearly are more effective than manual systems, as attested by the higher collection rates. Further, automated systems are more economical to operate; e.g., one person working about 30 hours a week performs the entire collection process for World Relief's accounts while three full-time people are required to perform the collection process for Tolstoy Foundation which has fewer accounts. Similar economies are enjoyed by the other Volags with automated systems. Considerable personnel resources could be saved or more effectively used in other refugee areas if all collection systems were automated. World Relief and CWS are able and willing to perform collection duties for other grantees. RP should encourage grantees with manual systems to retain the services of World Relief, CWS, or any other willing voluntary agency with an automated collection system. (Recommendation 15)

Early billing of refugees, usually during the third month after arrival, is common to the more successful collection systems. The value of early billing is the ability to contact refugees before they move to an unknown address. Some agencies, primarily those with manual systems, await completion and acceptance of grantee nominal roll reports before billing refugees. These reports generally lag 3-4 months behind arrival of refugees. In these instances, the initial billing is not mailed until 5-6 months after refugee arrival. In the interim, a substantial number of refugees have moved and left no forwarding address. Agencies spend considerable time and effort trying to locate these refugees and often fail to do so. Successful agencies such as World Relief and CWS bill refugees upon receipt of the promisory note (which often is received as early as the first or second month after refugee arrival) or immediately upon receipt of the ICM billing. Differences between amounts billed based on promisory notes and the ICM billing are subsequently adjusted by the agency (further discussion below). RP should encourage grantees to bill refugees no later than the third month after arrival. (Recommendation 16)

The practice of billing refugees no later than the third month after arrival will alleviate the most serious problem currently facing agencies in the collection process, i.e. no current addresses for refugees. CWS, for example, has about 22,000 accounts. Of these, 11,000 are active billable accounts, 8,000 are unbillable because of no current address, and 3,000 are uncollectable because of death, unaccompanied minors, etc. Of the 11,000 billed each month, about 4,000 pay. This represents a 36 percent response rate. Payments made by the 4,000 average about $160,000 per month. If CWS could bill the 8,000 accounts with no current addresses and experience a 36 percent response rate, collections would increase by 73 percent to an average of $275,000 per month. The situation of CWS is typical of all the agencies reviewed. The prospect of increasing collections by 73 percent demands that extraordinary efforts be made to secure current addresses for all refugees who received ICM transportation loans. RP should accelerate its efforts to assist agencies in securing current addresses through liaisons with INS, IRS, state and local governments, and other appropriate sources. (Recommendation 17)

Often, ICM billings show loan amounts for refugees that differ from the promissory note amounts the refugees have agreed to pay. Usually, ICM billings show the refugee owe more than the amount on the promissory note. This occurs because ICM permits inclusion of additional family members for travel to the U.S. after the promissory note has been signed, or because a birthday of a family member causes an increase from child to adult fare. ICM requires the agency to bill the larger amount shown on its billings. In these instances, the burden falls on the Volag to persuade the refugee to pay the larger amount. This is a costly and time consuming process. Often the refugee refuses to pay the larger amount. RP should request ICM to either absorb the difference between promissory note amounts and ICM billings or secure amended promissory notes from the refugee. If differences are absorbed, ICM should amend the loan amount charged against the Volag. (Recommendation 18)

Even though ICM allows grantees to write off uncollectable accounts, the statistical reports prepared by ICM continue to reflect outstanding balances unreduced by write-off. RP prepares reports using the ICM numbers. The use of loan statistics without regard to any write-off significantly understates the percentage of collections which is the chief measure of the success of agency collection efforts. To enable all interested parties to make more meaningful decisions, RP should prepare reports using loan data from agency records. (Recommendation 19)

In addition to write-off because of death, old age, unaccompanied minors, etc., ICM recently authorized agencies to write-off all unpaid loans made before 1973. Some grantees are reluctant to do this because they believe that it will affect future collections if refugees think that by not paying their debt, it eventually will be written off. To allay this concern, RP should encourage Volags to write off the pre-1973 accounts on official records and retain memoranda records of the accounts written off for future collection action. (Recommendation 20)

All agencies adequately account for amounts due and received from refugees. During the period covered by this audit, amounts due ICM were properly and promptly remitted. An audit of prior periods conducted by ICM determined that Tolstoy Foundation was in arrears by about $165,000. An agreement was reached between ICM and Tolstoy whereby Tolstoy would remit the arrearage in installments of $5,000 per month. Tolstoy has remitted $15,000 to date.

E. Program Monitoring

The latest reception and placement cooperative agreements require voluntary agencies to monitor core services provided by their affiliates. This monitoring must be in accordance with plans submitted by the Volags and approved by RP. The Volags are generally following their plans and therefore are in compliance with grant provisions. While recognizing that personnel and financial constraints limit an agency's monitoring activity, the inspectors believe the Volags are serious in this effort. Monitoring systems can be improved, however, to make them more effective. The following comments pertain to ACNS, World Relief, and Tolstoy Foundation, all of which resettle refugees through affiliates. CWS, which resettles refugees through various denominational congregations, has a unique monitoring situation and will be discussed separately.

RP requires that agencies which resettle refugees through affiliates must conduct on-site reviews of affiliate operations at least yearly. The inspectors believe RP should reassess this requirement as some affiliates settle such small numbers of refugees that it is not cost effective or efficient to review such operations yearly. RP should link the requirement for yearly on-site visits with some minimum number of refugees settled by affiliates. (Recommendation 21)

All the agencies require their affiliates to complete forms or "check lists" showing the type and amount of services received by refugees. When complete, these documents serve as the affiliates certification that required core services have been provided. During on-site reviews, the Volags check that these documents have been completed. Information contained on the documents is corroborated by further file review or discussion with local staff. Rarely are refugees interviewed. The inspectors believe it is impossible to determine if services are being adequately provided without interviewing some individuals receiving these services. RP should impress on the Volags the importance of interviewing refugees to insure a valid monitoring system. (Recommendation 22)

Except for ACNS, which has prepared a standard review guide, Volag site visits are relatively unstructured. To be effective, any on-site review requires review guides to focus the reviewer's effort. This is especially important as the Volags generally only spend 2 to 3 days once a year at an affiliate. RP should urge Volags to develop review guides geared to verifying that core services are provided. (Recommendation 23)

Documenting the results of an on-site review is an important element in a monitoring system. ACNS has begun to prepare standard written reports, World Relief occasionally prepares reports and Tolstoy Foundation, while stating that reports are generally prepared, could not find them. RP should require Volags to prepare and, in accordance with Attachment C - Circular A-110, retain written reports of on-site reviews focusing, at least in part, on an assessment of the adequacy of the core services. (Recommendation 24) This information would not only be useful to agency management but to RP as well when it evaluates the monitoring performance of the Volags.

The agencies stated in their proposals that periodic reports from affilates were an integral element of their monitoring system. Except for 90-day follow-up reports that World Relief receives for every refugee resettled by its affiliates, these reports tend to be statistical, very general, and unrelated to core services. Volags are involved in a wide range of resettlement activities beyond the provision of core services, and affiliate reports may well satisfy the needs of management in assessing overall performance. The reports, however, generally do not contain specific enough information for Volag management to systematically review how well core services are provided, which is RP's primary concern. RP should urge Volags to require their affiliates to report specifically on the provisions of core services. (Recommendation 25)

Under the cooperative agreement, CWS is required to monitor the provision of core services; but because it follows the congregational resettlement model, it is not required to conduct on-site reviews of congregations sponsoring refugees. CWS has a unique monitoring problem because it resettles refugees through 16 autonomous Protestant denominations, each of which has its own system of monitoring refugee services. As CWS, in effect, is an operating arm of a confederation of these denominations, it has no authority to review their refugee resettlement activities. It must rely basically on the denominations to ensure core services are provided.

To maintain oversite over the provision of core services, CWS has recently developed a 90-day follow-up questionnaire to be used by all sponsors and returned to CWS through the denomination. This questionnaire, which all denominations have agreed to use, elicits information on the type of services provided to refugees and each refugee's current economic and employment status. CWS officials believe this questionnaire will be a valuable tool in monitoring how well refugees are being served. In addition, CWS has established various projects across the country that develop sponsorships and aid in refugee resettlement. These projects deal with many refugees resettled through denominations and provide continual feedback to CWS on refugee matters. While the CWS monitoring system is in accordance with its proposal and therefore in technical compliance with agreement provisions, the system does not allow for verifying that core services are provided. RP should reassess the Church World Services monitoring system to determine if it meets RP's minimum monitoring requirements. (Recommendation 26)

Just as Volags are responsible for monitoring affiliates, RP is responsible for monitoring Volags. The Office of Reception and Placement (RP/RPL), established in early 1982, has the prime responsibility within RP for reviewing Volag adherence to the program provisions of the cooperative agreements. The inspectors did not have time to review in detail the activities of RP/RPL and have only one comment on its activities. To date, RP/RPL has monitored by geographic area, rather than by agency. This was done to allow staff to observe various local reception and placement agencies as well as to evaluate how well various local agencies coordinate with other interested parties in carrying out a reception and placement program. While not disagreeing with this approach, the inspectors believe RP/RPL should direct some of its resources towards agency-wide reviews. These reviews would help RP identify any systemic problems agencies might have in providing reception and placement services. Under the current system, it might take considerable time before enough affiliates were visited for these problems to be identified. In addition, RP/RPL is responsible for reviewing agency monitoring systems. This cannot be done without an agency-wide review. Evaluating monitoring systems would not only provide assurance that agreement provisions were being followed but would alert RP to which Volags are identifying and correcting problems in reception and placement activities and which are not. RP/RPL could then direct its resources toward agencies not properly monitoring their affiliates. The inspectors recommend that RP/RPL conduct periodic Volag-wide reviews. (Recommendation 27)

The Guidelines for the Administration of Reception and Placement Grant Agreements require voluntary agencies to submit semiannual program reports. It appears neither RP nor the Volags place much importance on this requirement. Volag officials admitted that the reports, usually submitted late, provide little insight into actual activities because they generally contain nothing more than a description of an agencies core services delivery system and not actual experiences in delivering these services. On the other hand, RP has not asked Volags to improve their reporting or followed-up on late reports. For example, CWS has never submitted a program report and has not been reminded to do so. Further evidence of the lack of interest in program reports is the fact that RP/RPL, which is responsible for program monitoring, does not even receive them. Program reports are not only required by OMB Circular A-110, but can be a valuable tool in monitoring a Volag's activities. Before a report is of any use, however, it must be relevant and reviewed by the appropriate officials. RP should direct the voluntary agencies to focus their program reports on successes and problems in adhering to agreement provisions and ensure that RP/RPL receives these reports for appropriate review. (Recommendation 28) RP/RPL should establish a system to ensure that reports are submitted promptly including appropriate follow-up for late submissions. (Recommendation 29)

RECOMMENDATIONS

1. RP should undertake a study to determine if it is cost effective and necessary to continue to fund 12 separate voluntary agencies.

2. RP should develop a formal policy stating generally what percentage of reception and placement program costs the per capita grant is intended to cover.

3. RP, in coordination with the voluntary agencies, should develop a method to estimate what percentage of agency costs are related to initial resettlement.

4. RP should require voluntary agencies to provide sufficient data to show that Eastern Europeans receive generally the same services as other refugees.

5. RP should develop a reporting format to be used by agencies in reporting yearly income and expenditures.

6 RP should amend cooperative agreements to require independent auditors of the voluntary agencies to certify the accuracy of financial reports.

7. RP should ensure that agencies develop overhead accounting systems that comply with OMB Circular A-122.

8. RP should ensure that internal controls of the Volags include the requirement for at least two signatures on checks over a specified amount.

9. RP should ensure that all agencies are capable of providing planned versus actual financial information for each agreement.

10. RP should explore ways to expedite the authorizations of new amendments to cooperative agreements or provide interim emergency funding between amendments.

11. RP should notify the Volags that an audit by a U.S. Government agency could result in their being required to refund amounts charged to current and future grants when such charges do not conform to the standards in OMB Circular A-122.

12. RP should ensure that Volag procedures for determining reasonableness, allocability, and allowability of costs charged to agreements are in compliance with the standards in OMB Circular A-122.

13. RP should ensure that Volags maintain adequate documentation of business meetings and lunches charged as official expenses.

14. RP should require agencies to provide copies of Management Reports prepared by certified public accountants.

15. RP should encourage grantees with manual systems to use the services of grantees with automated systems to assist in collecting ICM loans.

16. RP should encourage agencies to bill refugees for ICM loans no later than the third month after their arrival.

17. RP should accelerate its efforts to assist agencies in securing current addresses for refugees through its liaisons with the Immigration and Naturalization Service, Internal Revenue Service, state and local governments, and other appropriate sources.

18. RP should request ICM to either absorb the differences between promissory note amounts and ICM billings or secure amended promissory notes from the refugees.

19. RP should prepare reports using ICM loan data from agency records.

20. RP should encourage voluntary agencies to write-off pre 1973 ICM loan accounts.

21. RP should link the requirements for yearly on-site visits by the Volags with a minimum number of refugees settled by an affiliate.

22. RP should impress on voluntary agencies the importance of interviewing refugees during on-site reviews.

23. RP should urge voluntary agencies to develop standard review guides to use during on-site reviews.

24. RP should require voluntary agencies to prepare and, in accordance with Attachment C - Circular A-110, retain written reports of on-site reviews.

25. RP should urge voluntary agencies to require their affiliates to report specifically on the provision of core services.

26. RP should reassess the monitoring system of Church World Services to determine if it meets RP's minimum monitoring requirements.

27. RP/RPL should conduct periodic agency wide reviews.

28. RP should direct voluntary agencies to focus their program reports on successes and problems in adhering to agreement provisions and ensure that RP/RPL receives these reports.

29. RP/RPL should establish a system to ensure program reports are promptly submitted.

EXPENDITURES FOR RECEPTION AND PLACEMENT SERVICES
(Period Covered)

Number of Refugees Resettled ________

Headquarters Support Services		**R&P Service Delivery (Local Offices)**		**Payments to or on Behalf of Refugees**		**In-Kind Contribution**
Personnel	$______	Personnel	$______	Housing (Rent/Furnishings)	$______	
Communications	$______	Communications	$______	Food	$______	
Utilities	$______	Utilities	$______	Health	$______	
Space	$______	Space	$______	Clothing	$______	
Office Supplies	$______	Office Supplies	$______	Transportation	$______	
Equipment	$______	Equipment	$______	Education	$______	
Travel:		Travel	$______	Other	$______	
International	$______	Other	$______			
Domestic	$______					
Overhead	$______					
Total Expenditures	$______		$______		$______	

Income

R & P | Private (Non Federal)